FIVE YEAR IMPLEMENTATION PLAN

CHULA VISTA REDEVELOPMENT AGENCY

2005 to 2009



















Our Mission is ...

"To enhance urban Chula Vista through collaborative partnerships that realize the physical and economic potential of the community."

- Chula Vista Redevelopment Agency

TABLE OF CONTENTS

I. INTROD	DUCTION	1
	LEGAL AUTHORITY	1
	PURPOSE AND INTENT	2
	ORGANIZATION	2
II. BACKG	ROUND	3
	CHULA VISTA'S LIFE CYCLE	3
	THE ROLE OF REDEVELOPMENT	4
	ABOUT THE PROJECT AREAS	6
	PAST ACCOMPLISHMENTS	8
	THE GOALS OF REDEVELOPMENT	9
III. STRATI	EGIC PLANNING	11
	STRATEGIC FOCUS	11
	GUIDING PRINCIPLES OF REDEVELOPMENT	11
	GEOGRAPHIC FOCUS AREAS	12
IV. FIVE Y	EAR WORK PROGRAM	14
	STRATEGIC OBJECTIVES	14
	REDEVELOPMENT WORK PROGRAM	15
	HOUSING WORK PROGRAM	19
	PROJECTED EXPENDITURES	21
APPENDIX A:	: TERMINOLOGY	22
APPENDIX B:	(
APPENDIX C:	: HOUSING COMPLIANCE	41
APPENDIX D	: REDEVELOPMENT PROJECT AREAS	
APPENDIX E:	REDEVELOPMENT REVENUES (2005-2009)	59
APPENDIX F:	2000-2004 ACCOMPLISHMENTS	61



I. INTRODUCTION

Every five years, redevelopment agencies are required to adopt implementation plans to establish strategic and programmatic work plans for carrying out their activities. These plans embody and carry out the mission, goals, and objectives of the agencies within their adopted redevelopment project areas. Over the past six years, the Chula Vista Redevelopment Agency has adopted Five Year Implementation Plans for each of the following six project areas:

- ⇒ Bayfront
- ⇒ Town Centre I
- ⇒ Town Centre II
- ⇒ Southwest
- ⇒ Otay Valley
- ⇒ Added Area

This Five Year Implementation Plan covers the five-year period from 2005 to 2009 and is an update to the Agency's six existing plans. As an update, this Plan consolidates each of those six separate plans into a single, cohesive document.

LEGAL AUTHORITY

In 1993, the Legislature passed AB 1290 (Chapter 942, Statutes of 1993), which enacted the California Community Redevelopment Law Reform Act and made sweeping changes to state redevelopment law (Health and Safety Code §§33000 et seq.) in a major effort to increase both the effectiveness and accountability of redevelopment agencies. One notable statutory change was the addition of Article 16.5 (§§33490 et seq.) to the law, which required redevelopment agencies to adopt five year implementation plans for all adopted project areas on or before December 31, 1994, and every five years thereafter. Health and Safety Code Section 33490(a) requires that these implementation plans contain:

- ⇒ The Agency's goals and objectives, programs, and projects within the project area for the next five years, including estimated expenditures.
- An explanation of how the goals and objectives, programs, projects, and expenditures will eliminate blight and promote affordable housing within the project area.
- A specific section that addresses the Agency's housing responsibilities, including the Agency's Low and Moderate Income Housing Fund (tax increment "20% set-aside") and the Agency's requirements for replacement and inclusionary housing.

Aside from these requirements, the law provides flexibility for the Agency to locally determine how to best organize and format the contents of the plans. The Chula Vista Redevelopment Agency has used that flexibility to craft a cohesive and comprehensive document that will serve as the Agency's redevelopment "strategic plan" for the next five years.

Midterm Review

Health and Safety Code Section 33490(c) requires redevelopment agencies, during the third year of the implementation plan, to hold a public hearing and conduct a midterm review of the progress made within the project area. A midterm review of this implementation plan will be conducted during 2007 with special attention paid to the five-year work program found in Appendix B.



PURPOSE AND INTENT

The Agency's purpose and intent in this Five Year Implementation Plan are to:

- ⇒ Provide decision-makers and the public a <u>clear, readable, and user-friendly</u> document that effectively communicates the City's vision, goals and objectives, and programs for redevelopment.
- Establish five-year strategic objectives and work programs that are <u>measurable</u>, <u>quantifiable</u>, <u>and</u> <u>track-able</u> and promote the long-term effectiveness and financial viability of the Agency.
- ⇒ Present information about the Redevelopment Agency in an educational and informative manner.
- ⇒ <u>Implement</u> the redevelopment goals of the Agency as set forth in the Agency's adopted Redevelopment Plans.

ORGANIZATION

This Five Year Implementation Plan updates and consolidates six previously adopted plans into a single document. A single plan for all of the project areas reduces confusion and provides a clear, readable, and user-friendly document that supports a uniform vision for redevelopment. The first section of this plan provides a comprehensive and historical discussion of redevelopment in Chula Vista, and the role of the Agency in the City's current revitalization efforts, including:

- ⇒ A historical overview of Chula Vista's life cycle
- ⇒ A discussion of the role of redevelopment and the private market
- ⇒ A summary of the Agency's accomplishments in the project areas during the last five years
- ⇒ A description of the redevelopment project areas and a summary of the Agency's adopted goals

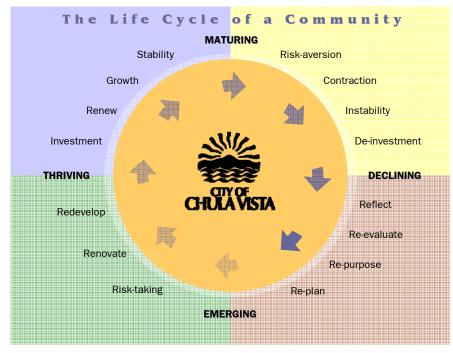
The rest of the plan provides the Agency's strategic focus for the next five years, including *Guiding Principles* of *Redevelopment* and work programs by distinct geographic focus areas. Each work program outlines key strategic objectives that will be critical to successful redevelopment in each focus area, including:

- ⇒ The adoption of local land use <u>plans</u> and redevelopment <u>policies</u> to guide and establish a vision for all future redevelopment activities and projects.
- ⇒ The facilitation of **key catalyst projects** consistent with local plans and policies to generate tax increment revenues for public improvements and affordable housing.
- ⇒ The financing and planning of key infrastructure improvements and public amenities within the project areas.
- ⇒ The financing and creation of **affordable housing** through the Agency's statutory requirements and local housing initiatives.

II. BACKGROUND

On November 17, 2004, the Chula Vista City Council and Planning Commission held a joint workshop on the City's various planning efforts for the revitalization and redevelopment of Chula Vista's Urban Core. The

workshop included comprehensive presentation on the General Plan Update, Urban Core Specific Plan, and the role of redevelopment in the revitalization efforts for western Chula Vista. The central theme of the workshop was the concept of "The Life Cycle of a Community," as depicted in the illustrative model on the right, which takes a city through four distinct stages of evolution -Emerging, Thriving, Maturing, Declining - before the cycle leads back to the emergence of the city through careful reflection, reevaluation, repurposing, and re-planning. Below is a brief narrative of Chula Vista's own life cycle to date, which provides important context for this Five Year Implementation Plan.



CHULA VISTA'S LIFE CYCLE

Once the largest lemon growing center in the world, Chula Vista has rapidly grown, developed, and expanded to become one of the nation's fastest growing cities. Initially incorporated in 1911, much of the City's historical growth and development traces back to World War II and the relocation of Rohr Aircraft Corporation to Chula Vista in early 1941. The presence of Rohr and the post-WWII boom brought extraordinary population growth to Chula Vista, along with the demand for housing, roads, schools, public services, and retail services (e.g., shops, restaurants, markets, banks, etc.).



With an established but growing population and employment base, Chula Vista's urban core and business economy thrived with commercial activity and spawned additional housing opportunities for newcomers. As the size and needs of the community continued to grow, local downtown businesses flourished and additional community amenities were created in response to the increasing service and governance demands of local citizens.





Over the next several decades, California's continued rate of population growth and housing production, coupled with Chula Vista's regional and waterfront location between the Mexican border and downtown San Diego, spurred the City's outward expansion and development to the east (east of Interstate-805). Now home to nearly a quarter-million residents, Chula Vista is the second largest city in San Diego County.



As the City has continued to expand outward, and eastern Chula Vista has begun to thrive and mature during the past 15 years, western Chula Vista has experienced a decline in commercial activity and community reinvestment as residents have sought business and retail services elsewhere, including eastern Chula Vista, downtown San Diego, and Mission Valley. The decline in private investment in the urban core has led toward decreased small business retention and attraction, reduced private investment, and a loss of external confidence in the area's housing market. It has also led to the ongoing physical deterioration of



some of the City's housing stock, shrinking tax revenues to the City, and a greater need for infrastructure improvements.

To evolve past western Chula Vista's cycle of decline, and create a path toward the reemergence of a thriving economy and housing market, the City Council has cast a vision for the revitalization of the City's downtown urban core through the City's General Plan Update (adopted on December 13, 2005) and the preparation of the Urban Core Specific Plan.

THE ROLE OF REDEVELOPMENT

The establishment of a planning and regulatory framework for the City is not the only vital ingredient that will allow a new vision for Chula Vista to unfold. Changes to the General Plan and Zoning Code do not mandate that the area <u>must</u> change but instead means it <u>can</u> change in a well thought-out, logical manner. Urban change and revitalization contain a myriad of "risk variables" that influence market forces and market confidence (or inversely, market risk), including:

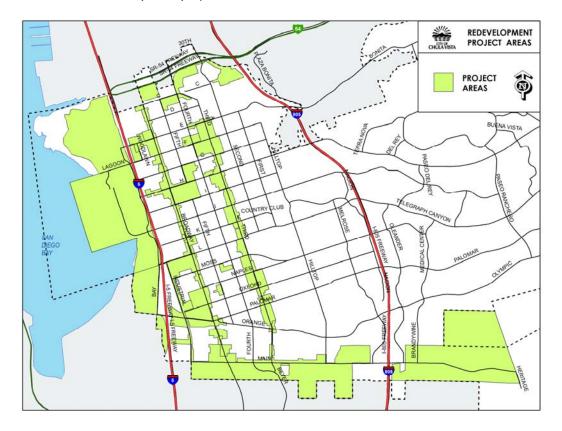
- ⇒ Local demographics
- ⇒ Existing housing types and prices
- ⇒ Ability of the market to absorb new units
- ⇒ Development costs (e.g., construction costs, fees)
- ⇒ Whether the existing housing market has been tested to support similar product types and pricing

Redevelopment plays an important role in urban revitalization through the tools it can employ to directly influence the private market, reduce risk, and create market confidence. Redevelopment can facilitate new development that might not normally occur under existing market conditions by using those tools to help address the risk variables described above. The tools and requirements of the Redevelopment Agency include (see Appendix A for definitions of terminology):

- ⇒ Tax increment financing to fund public improvements and provide financial assistance to qualifying developers for qualifying projects in the form of gap financing
- Required 20 percent monetary set-aside of all tax increment revenues for low- and moderate income housing
- ⇒ 15 percent affordable housing production requirement

- ⇒ Land acquisition and parcel assemblage
- ⇒ Relocation assistance and replacement housing

With these tools, redevelopment can act as a catalyst to "jumpstart" the revitalization process in conformance with the City's land use plans. Once redevelopment efforts create enough market confidence, the private market can run its own course and lead the City back toward a state of thriving through further *risk-taking*, *renovation*, *and redevelopment*. By law, however, redevelopment is limited only to areas of a city that are in a state of decline and are physically and economically blighted. Its direct influence on the private housing market is therefore limited to "project areas" adopted by the redevelopment agency. The following map depicts Chula Vista's redevelopment project areas in shaded zones.



Affordable Housing

Through redevelopment tools, agencies also play a vital role in the funding and production of affordable housing. Within adopted project areas, redevelopment agencies receive a higher level of property tax revenues that would normally be allocated to the state and other taxing entities. In exchange, the state requires that 20 percent of all of these "tax increment" revenues be set aside for the development of affordable housing. To ensure that these monies are in fact used for the production of affordable housing, the state requires that 15 percent of all new residential units built in an adopted project area be restricted to households of very low-, low-, and moderate incomes. Next to the





federal government, redevelopment is the largest provider of affordable housing for California's low- and moderate income families. Later sections of this Plan will address the Agency's affordable housing priorities and obligations in much greater detail.

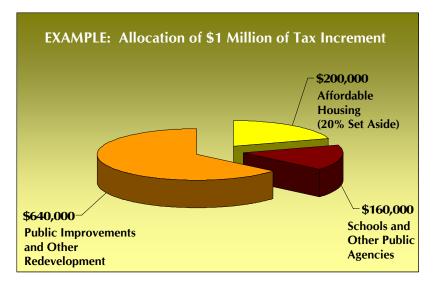
Public Facilities and Infrastructure Improvements

All tax increment monies generated in adopted redevelopment project areas are allocated among three basic public uses: (1) affordable housing, (2) schools and other public agencies, and (3) public improvements and other redevelopment activities. (The pie chart exhibit below provides an example of how \$1 million of tax increment revenues would be allocated among the three uses.) One of the most important benefits of redevelopment is the ability to use tax increment funds to help pay for public improvements that would normally be paid for by the City's general fund. By relieving the City of those financial obligations,



redevelopment frees up general fund dollars to help the City focus its resources on other key service and infrastructure priorities inside and outside of redevelopment project areas. The five year work program contained in this Plan recognizes the important role that redevelopment plays in funding public improvements and identifies key infrastructure projects that will be strategically critical to successful redevelopment in each of the designated focus areas.



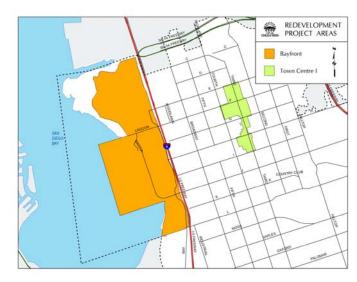


ABOUT THE PROJECT AREAS

The Chula Vista Redevelopment Agency was created on October 24, 1972 by City Council Ordinance No. 1425. Since the Agency's creation, the City has adopted and amended six project areas to encompass a total of approximately 3,563 acres of City territory. Current land uses within these areas are mostly commercial and industrial, but also include residential (primarily high and medium-high density) and public uses (e.g., governmental administrative centers, corporation yards, streets, etc.). In 1979 and 2000, the City financially merged the various project areas into two primary configurations: (1) the Merged Bayfront/Town Centre I Redevelopment Project Area (1979) and (2) the Merged Chula Vista Redevelopment Project Area (2000). The merger of project areas allows the Agency to pool tax increment revenues generated in different project areas and leverage them appropriately to create benefit for the entire merged project area. The following provides a brief historical summary of the Agency's two merged project areas. For more detailed information about each project area, please refer to the *Project Area Profiles* in Appendix D.

Early Redevelopment Efforts: Merged Bayfront/Town Centre I Project Area

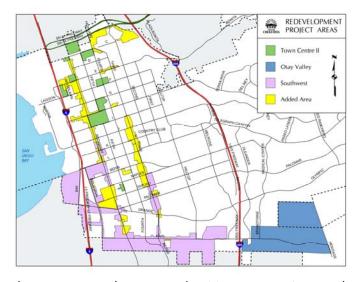
Following its creation in 1972, the Agency's initial focus and resources were dedicated to the City's waterfront and the historic downtown Third Avenue business corridor. In 1974, the City adopted the Bayfront Original Project Area, which encompassed approximately 637 acres of territory east of the mean high tide line. Two years later, the City adopted the Town Centre I Project Area in 1976, encompassing approximately 138 acres of territory located along and around the downtown Third Avenue business corridor. In July 1979, the two project areas were consolidated into a single Merged Bayfront/Town Centre I Redevelopment Project Area. To help facilitate planning efforts along the waterfront, the City adopted the Bayfront Amended Project Area in 1998, adding



approximately 398 acres of territory west of the mean high tide line to the Merged Bayfront/Town Centre I Project Area.

Growth and Expansion: Merged Chula Vista Project Area

As the City's population and economic growth expanded to the south and east during the next thirty years, the City incorporated additional urbanized territories to project areas to leverage expanding development trends to address growing housing and infrastructure needs. The Town Centre II Original Project Area was adopted in 1978 to include a large number of commercial properties along the Broadway business corridor. In 1983, the City adopted the Otay Valley Project Area to capture and leverage revenues generated in the City's Auto Park Specific Plan areas. Five years later, additional territories in the northern, western, and southern sections of the City were included in the City's project areas through the adoption of the Town Centre II Amended Project Area in



1988. In 1985, the City annexed approximately 2,500 acres known as the Montgomery Area and subsequently adopted the Southwest Original Project Area in 1990 to help address the area's historical infrastructure issues as an unincorporated County community. Additional territory was added to that area in 1991 through the adoption of the Southwest Amended Project Area. Most recently in 2004, additional territories spread across western Chula Vista were incorporated to constitute the Added Area Project Area. To streamline and simplify plans and reduce confusion, the City at that time concurrently consolidated each of these areas (Town Centre II, Southwest, Otay Valley, Added Area) into a single Merged Chula Vista Redevelopment Project Area.



PAST ACCOMPLISHMENTS

Recent redevelopment accomplishments from 2000 to 2004 within the project areas include the following list of examples. A more detailed discussion of the Agency's redevelopment and housing activities is provided in Appendix F of this Plan.

REDEVELOPMENT PLAN EXPANSION AND AMENDMENT (Added Area)

- Completed in early 2004
- Expansion of the Merged Chula Vista Redevelopment Project, including approximately 494 acres of property along the Broadway and Third Avenue corridors



GATEWAY PHASES I & II (Town Centre I)

- 347,000 square foot upscale commercial/office development
- Located at the northwest corner of Third Avenue and H Street
- Phase I completed in April 2002
- Phase II completed in April 2006
- Generation of \$400,000 annually in new tax increment funds



SPOTLIGHT ON BROADWAY (Southwest)

- Mixed-use residential and retail includes 40 residential row homes with 9 loft units over first floor retail fronting Broadway
- Located at 760 Broadway, south of L Street
- Completed in August 2005



CHULA VISTA ENTRYWAY BEAUTIFICATION PROJECT (Town Centre II and Southwest)

- Three City entry corridors from I-5: E, H, and Palomar Streets
- Includes enhanced median and pedestrian crosswalk paving, pedestrian-scale lighting, banners, entry monument elements, street trees, and other smaller-scale plant materials
- H Street beautification elements were completed in 2003
- Palomar Street beautification elements were completed in 2004

A A

THE CROSSINGS (Otay Valley)

- 188,860-square foot retail shopping center with two restaurant pads
- Located on the south side of Main Street and directly east of Interstate-805
- Completed in November 2005



AUTO PARK EXPANSION (Otay Valley)

- Added a total of approximately 70 acres 3 new auto dealerships are now under construction
- Approved in June 2003 and subsequently 2004



TROLLEY TRESTLE (Southwest)

- New construction of 11 transitional housing units for children transitioning from foster care programs.
- 746 Ada Street
- Completed in December 2000

BRISA DEL MAR (Southwest)

- New construction of 106 family rental units
- Units are affordable to very low and low-income households
- 1695 Broadway
- Completed in December 2005





THE GOALS OF REDEVELOPMENT

As a Five Year Implementation Plan, this Plan establishes a programmatic work plan for implementing and achieving the goals of the Redevelopment Agency over the next five years. Those strategic goals are set forth in the Agency's adopted redevelopment plans for the Merged Bayfront/Town Centre I and Merged Chula Vista Project Areas, and are listed as follows.



Eliminate Blight: Eliminate and prevent the spread of blight and deterioration and to conserve, rehabilitate, and redevelop the Project Areas in accordance with the Redevelopment Plans.



Stimulate Economic Growth: Attract, expand, and retain desirable business and industry which effectively increases employment opportunities for community residents and enhance the tax base of local governments.



Emphasize Infrastructure Improvements: Provide needed improvements to the utility infrastructure and public facilities that serve the Project Areas. Also, provide needed improvements to the community's education, cultural, and other community facilities to better serve the Project Areas. Improve traffic circulation through reconstruction and improvement of existing streets in the Project Areas.



Develop Efficient and Effective Circulation: Develop a more efficient and effective circulation corridor system free from hazardous vehicular, pedestrian, and bicycle interfaces.



Jobs for the Neighborhood: Promote local employment opportunities.



Renovate and Restore Sites: Continue to renovate and restore sites characterized by deficiencies including, but without limitations, conditions of soil which render private development infeasible or impractical.





Protect Local Businesses: Encourage the cooperation and participation of residents, businesses, businesspersons, public agencies, and community organizations in the redevelopment/revitalization of the Project Areas.



Promote Compatible Development: To encourage the development of residential, commercial, and industrial environments which positively relate to adjacent land uses, upgrade and stabilize existing uses, and preserve artistically, architecturally, and historically worthwhile structures and sites. To provide for the development of distinct commercial districts, to attain consistent image and character, and to enhance their economic viability.



Provide Quality Design: To remove impediments to land assembly and development through acquisition and reparcelization of land into reasonably sized and shaped parcels. To expand the resource of developable land by making underutilized public and privately owned property available for redevelopment. To achieve an environment reflecting a high level of concern for architectural, landscape, and urban design principals appropriate to the objectives of the Redevelopment Plans. Create physical buffers, which ameliorate the adverse effects of changing land uses along interfaces and discourage "spot zoning" and piecemeal planning practices.



Housing for All Families: Increase, improve, and preserve the community's supply of affordable housing for very low, low, and moderate-income households. In addition, improve housing and assist low and moderate-income persons and families to obtain homeownership.

The five year work program contained in this Plan (Appendix B) links and cross-references each of the Agency's planned activities for the next five years back to these strategic goals.

III. STRATEGIC PLANNING

STRATEGIC FOCUS

It is the mission of the Chula Vista Redevelopment Agency "To enhance urban Chula Vista through collaborative partnerships that realize the physical and economic potential of the community." Achieving this mission will be heavily influenced by the ability of the Redevelopment Agency to effectively create and leverage public resources that attract private investment. Private investment, in turn, will generate and locally capture tax increment revenues to improve public facilities, infrastructure, and amenities (e.g., streetscapes, public art, plazas, landscaping, affordable housing, etc.). Improvements to



Chula Vista's urban landscape will further promote greater public and private investment in the local business community, retail base, and housing market.

The strategic focus of the Agency's work program for the next five years will be to strengthen the financial viability and capacity of the Agency to proactively pursue the revitalization and redevelopment goals of the City. The Agency should leverage existing resources and assets to facilitate high-quality, urban development that will generate significant revenue streams to the City and Agency (e.g., tax increment, sales tax, transient occupancy tax) for public improvements and the creation of new affordable housing. The Agency should also prioritize outreach and education to the community about the goals, tools, and benefits of redevelopment, recognizing the critical importance of public participation in the redevelopment process.

GUIDING PRINCIPLES OF REDEVELOPMENT

Consistent with the strategic focus of the Agency, the policy foundation and direction of this Five Year Implementation Plan is rooted in two simple but critical *Guiding Principles of Redevelopment*.

Guiding Principle #1: Leverage Public/Private Investment and Resources

Leverage City/Agency resources that attract private investment to improve public amenities, infrastructure, and affordable housing through:

- Strategic and accountable public investments
- Land assembly
- Business reinvestment and expansion
- Debt issuance

Although past redevelopment activities in Chula Vista have created important affordable housing projects for the City, they have not historically served to strengthen the long-term financial viability of the Agency. To ensure the fiscal health of the Agency, a key priority of the Agency during the next five years will be to leverage existing resources and assets to facilitate catalyst projects that generate revenue streams that will fund needed public amenities, infrastructure, and affordable housing. This guiding principle establishes important policy direction to spend public resources and assets to improve public spaces and facilities that derive community benefit.



Guiding Principle #2: Community Outreach & Education

Promote and facilitate early and transparent public input and participation that emphasizes community education about the goals, tools, and process of redevelopment.

The Redevelopment Agency recognizes that successful redevelopment of Chula Vista relies heavily on effective community outreach and education about the goals and benefits of redevelopment. It also recognizes the importance of <u>early</u> outreach and education in the redevelopment process. This guiding principle is consistent with the three *Principles of Public Input & Participation* adopted by the City Council on May 24, 2005 as formal policy statements. Those principles were adopted with the creation of the Chula Vista Redevelopment Corporation ("CVRC") and are as follows:

- 1. Public input and participation should occur **early and often**.
- 2. Public input and participation should be open, inclusive, and accessible.
- 3. Public input and participation should be educational and informative.

One of the biggest challenges of the Redevelopment Agency over the next five years will be balancing the public participation needs of the Agency with the fundamental role of redevelopment to manage risk and attract capital investment in a high-risk market economy.

GEOGRAPHIC FOCUS AREAS

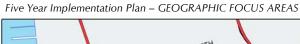
State redevelopment law establishes stringent requirements and restrictions on how redevelopment project area boundaries are drawn, including certain findings and determinations of blight. (See Appendix A for a definition of "blight.") While these project area boundaries are important for redevelopment purposes, this Plan recognizes that communities do not evolve, physically or socio-economically, by those boundaries. Instead, communities develop and evolve in more regional settings, influenced by where children go to school, where people shop and dine, where people attend church, which neighborhoods residents identify with, and the ups and downs of regional housing markets. Land use plans and policies are therefore crafted to shape and respond to socio-economic factors in regional contexts. Those same land use plans and policies create the vision, and the end-state, that redevelopment seeks to achieve.

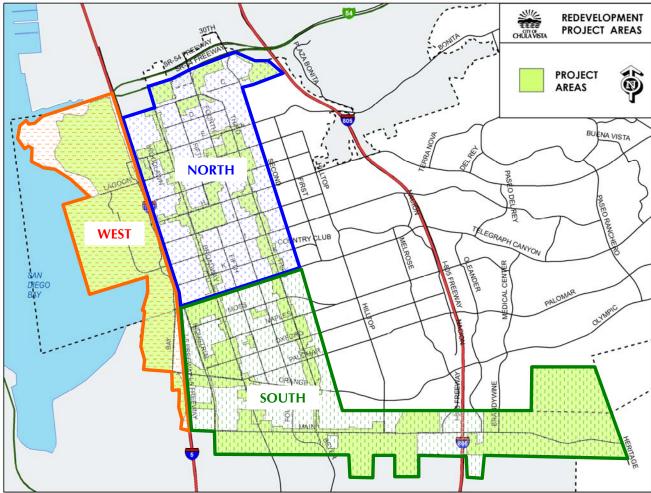
Past Five Year Implementation Plans in Chula Vista were individually prepared and adopted for each project area, independent of the other project areas and the planning boundaries of the City's land use plans. This document crafts a cohesive plan for all project areas and, consistent with City planning boundaries, groups project areas by geographic focus areas. Five year work programs have been developed for each of these geographic focus areas.

- ⇒ **North:** Project areas located north of L Street, east of I-5, south of SR-54, and west of Second Avenue. Affected project areas include Town Centre I, Town Centre II, and Added Area. The boundaries of the "north" geographic focus area are consistent with the 2005 General Plan Update (Northwest Planning Area and Urban Core Planning Subarea) and the proposed Urban Core Specific Plan.
- ⇒ **West:** Project areas located west of I-5, including Bayfront and Southwest. The boundaries of the "west" geographic focus area are consistent with the boundaries of the proposed Bayfront Master Plan and the GPU Bayfront Planning Area. They additionally include the West Fairfield District of the GPU Southwest Planning Area.
- South: Project areas located south of L Street, east of I-5, and north of the City's southerly boundary, including the Auto Park Specific Plan areas east of I-805. Affected project areas include Southwest, Otay Valley, and Added Area. The boundaries of the "south" geographic focus area encompass the Southwest

Planning Area of the 2005 General Plan Update ("GPU"), and the East Main Street Planning Subarea of the East Planning Area. A future Southwest Specific Plan is anticipated to cover all territories west of I-805.

It is important to emphasize that these geographic focus areas are for planning purposes only, and that the goals, objectives, policies, and programs contained in this Plan only impact territory located within the redevelopment project areas.







IV. FIVE YEAR WORK PROGRAM

The core elements of this Five Year Implementation Plan are the five year work programs developed for each of the three geographic focus areas. The three work programs share a common sequence of strategic objectives designed to create a logical and strategic plan for successful redevelopment.

STRATEGIC OBJECTIVES

Much of a redevelopment agency's success depends on its ability to time projects to market opportunities, anticipate and respond quickly to the needs of investors, and build bonding capacity to support new development and public improvements. The Agency's five year work programs are structured around three consistent strategic objectives intended to maximize the Agency's responsiveness to market opportunities, manage public and private risk, and facilitate the creation of public improvements and affordable housing.

STRATEGIC OBJECTIVE #1: PLANS & POLICIES

Redevelopment is a catalyst and tool to pursuing a vision that is cast by City leaders through land use plans and policies. Long-range plans that support redevelopment activities provide policy direction to derive the greatest public benefit from redevelopment activities and projects, and discourage inefficient piecemeal development. By establishing land use objectives and policies, development standards, and design guidelines, the City sets the policy stage for redevelopment and helps create a reduced-risk environment that more readily attracts private investment. Land use plans and policies also provide the framework for planning and financing infrastructure that will support new development. Therefore, the first and highest priority in each geographic focus area is the establishment of long-range land use plans and policies that create a vision for redevelopment.

STRATEGIC OBJECTIVE #2: PUBLIC INFRASTRUCTURE & AMENITIES

As land use plans and policies are crafted and updated to support the revitalization goals of the City, the City and Agency must also determine how to proactively finance and build the public infrastructure and amenities needed to support new development. Tax increment generated from new development can be financed and spent on public improvements and amenities that benefit the entire project area and neighborhood, and not just individual development projects. By upgrading infrastructure to create capacity that supports additional future development, the Agency will greatly advance the revitalization goals of the City while creating an environment that attracts capital and is more readily responsive to market opportunities.

STRATEGIC OBJECTIVE #3: CATALYST PROJECTS

Redevelopment acts as a "sparkplug" in city revitalization efforts, creating just enough energy and momentum in a city's economic engine to let it rev up and run on its own. By strategically focusing and leveraging resources on a few key "catalyst projects," redevelopment can spark enough market confidence to attract private investment to a city's revitalization vision and plans. The following five year work programs identify these types of key catalyst projects for each geographic focus area.

REDEVELOPMENT WORK PROGRAM

The work programs for each geographic focus area are consistently structured around the three strategic objectives: (1) Plans & Policies, (2) Public Infrastructure & Amenities, and (3) Catalyst Projects. The specific programs, projects, or activities under these objectives, however, will vary from area to area, based on the unique physical and socio-economic characteristics of each. Detailed five year work programs identifying those programs, projects, and activities for the North, West, and South Geographic Focus Areas are located in Appendix B of this Plan. The following provides a summary description of the highlights of the strategic objectives for each focus area.

North Geographic Focus Area Work Program

Project areas located north of L Street, east of I-5, south of SR-54, and west of Second Avenue: Town Centre I, Town Centre II, and Added Area.

Plans & Policies

Redevelopment project areas in the North Geographic Focus Area are primarily located along the commercial corridors of the City's historic neighborhoods, including Third Avenue, Broadway, E Street, and H Street. There are a broad range of existing uses along these corridors, including automobile-related businesses on Broadway; neighborhood retail services and offices along downtown



Third Avenue; regional retail shopping at the Chula Vista Center on H Street; schools and neighborhood parks; and a mix of housing types (e.g., apartments, condominiums, mobile homes). The City's revitalization planning efforts, through the preparation of an Urban Core Specific Plan (UCSP), are heavily focused on these areas of change in the North Geographic Focus Area. The planning focus areas of the draft UCSP overlap the project areas in the North and propose greater intensities of use that will activate the corridors and attract private investment, future residents, and more vibrant businesses. By establishing updated development standards and design guidelines for the Urban Core, the UCSP will set the vision, plans, and policies for redevelopment of the North Geographic Focus Area, including improvements to public infrastructure and amenities, and the development of key catalyst projects.

Public Infrastructure & Amenities

Redevelopment will be an integral factor in funding public improvements envisioned by the UCSP to support new development and enhance the aesthetic environment of the Urban Core. Tax increment generated in the project areas will be an important financing tool to create bonding capacity for streetscape improvements along corridors where the Redevelopment Agency will be prioritizing key catalyst projects. The work program in Appendix B identifies the following priority projects during the next five years for improvements to public infrastructure and amenities:

- Third Avenue Streetscape Improvement Master Plan. Public infrastructure and amenities to support key catalyst projects and future redevelopment activity along the downtown Third Avenue business corridor. The plan will include street improvements, street furniture, and lighting to improve circulation and provide for quality design, aesthetics, and identity to the area for marketing and redevelopment. (Town Centre I, Added Area)
- ⇒ <u>F Street Improvement Plan.</u> Public infrastructure and amenities to enhance connectivity between the Urban Core (North) and Bayfront (West), and support transit-oriented development projects adjacent to the E Street Trolley Station. The plan will include an assessment of current deficiencies in



- infrastructure (e.g., roads, medians, curbs, sidewalks, gutters, utilities) and the planning, design, and construction of necessary improvements to address those deficiencies. (Town Centre II, Added Area)
- Downtown Parking Study. Conduct a comprehensive parking study of the downtown district of the Urban Core, including current supply and demand, short-term and long-term needs assessments based on UCSP development projections, and a long-range strategic parking plan for locating, financing, and constructing new facilities that support the objectives of the UCSP. (Town Centre I, Town Centre II, Added Area)

Key Catalyst Projects

The Agency should leverage existing resources and assets in the North Geographic Focus Area to facilitate key catalyst projects that will attract new investment to the Urban Core that will help create and improve public amenities, infrastructure, and affordable housing. Existing assets may include City- and Agency-owned properties, such as parking lots and a corporation yard. Key catalyst projects should be located in strategic locations, including transit focus areas and downtown business corridors. The downtown Third Avenue business corridor will be especially important during the next several years because of its location in the Town Centre I Redevelopment Project Area. Adopted in 1976, the Town Centre I Project Area is scheduled to expire in 2017, leaving only 11 years to collect tax increment. Key catalyst projects in the project area during next few years will increase assessed valuations and generate greater tax increment revenues for needed public improvements and amenities along and around Third Avenue.

The work program in Appendix B identifies the following key catalyst projects during the next five years:

- ⇒ Third Avenue Redevelopment Opportunities. Leverage existing resources and assets along the downtown Third Avenue business corridor to collaboratively work with qualified developers to design and build high-quality, mixed-use projects that are consistent with the City's vision, plans, and policies for the Urban Core. Work with existing property owners to improve and enhance uses along the downtown Third Avenue business corridor that further the City's vision, plans, and policies for the Urban Core. (Town Centre I, Added Area)
- ⇒ E Street & Woodlawn Redevelopment Opportunities. Identify and facilitate redevelopment opportunities near the E Street Trolley Station to collaboratively work with qualified developers to design and build high-quality, transit-oriented development projects that are consistent with the City's vision, plans, and policies for the Urban Core. (Town Centre II, Added Area)

West Geographic Focus Area Work Program

Project areas located west of I-5: Bayfront and Southwest.

Plans & Policies

Redevelopment project areas in the West Geographic Focus Area contain prime waterfront properties with amazing redevelopment opportunities to create a new and improved marina, a resort conference center, parks and recreation facilities, and new housing. The City and Port of San Diego have spent many years collaboratively developing a Bayfront Master Plan that establishes a vision and policies to guide the development of a world-class bayfront. Completion of these planning activities will



require approvals of several local and state agencies, including California Coastal Commission approval of an amendment to the City's Local Coastal Program (LCP).

Public Infrastructure & Amenities

Historical uses in the West Geographic Focus Area (e.g., Goodrich Corporation, Rohr Aircraft Corporation) were primarily industrial and required limited infrastructure and utility systems to support their operations and activities. Redevelopment of the Bayfront area into a dynamic array of hotel, residential, and recreational uses will require considerable infrastructure upgrades and improvements to support those uses. Developing an infrastructure financing plan will be complex and require significant inter-agency coordination and support. Tax increment financing will be a major contributor to the substantial infrastructure costs in the Bayfront. The City has spent significant time and resources coordinating with San Diego Gas & Electric (SDG&E) to reach an agreement that would facilitate the undergrounding of major SDG&E transmission lines in the Bayfront area. The undergrounding of these power lines will greatly enhance the aesthetic environment of future waterfront development in the area. (Bayfront)

Key Catalyst Projects

The Redevelopment Agency will play an important role in facilitating and negotiating key catalyst projects that will economically anchor the Bayfront Master Plan, including:

- ⇒ Resort Conference Center. Development of a major resort conference center will generate significant tax increment, transient-occupancy tax, and sales tax revenues to provide needed funding for the planning and financing of key public infrastructure and amenities in the Bayfront. (Bayfront)
- ⇒ Residential Development. Design and development of a major residential project that utilizes the prime waterfront location of the Bayfront, and creates greater activity in the area for shopping, dining, and recreating. (Bayfront)

South Geographic Focus Area Work Program

Project areas located south of L Street, east of I-5, and north of the City's southerly boundary: Southwest, Otay Valley, and Added Area.

Plans & Policies

Redevelopment project areas in the South Geographic Focus Area include a myriad of land uses and historical development patterns. The Otay Valley Project Area encompasses territories east of the I-805 Freeway that are planned for auto dealership uses through the City's Auto Park Specific Plans. Significant development activity is already underway in accordance with those land use plans



and policies. Connectivity of this area to territories west of the I-805 Freeway will be critical to the economic development and redevelopment of the entire South Geographic Focus Area. It is particularly important to recognize that a large portion of the South Geographic Focus Area consists of territories annexed to the City 20 years ago after many years as an unincorporated County area. The Montgomery Area is characterized by a history of piecemeal development practices, a wide range of incompatible uses, and serious infrastructure deficiencies, including roads, curbs, gutters, and sidewalks. It is also characterized, however, by numerous light-industrial uses and large-sized parcels, particularly along Main Street, that will provide important redevelopment and economic development opportunities to the City, including the creation of new commercial and light-industrial uses, and the environmental cleanup of contaminated properties. Additional residential and commercial development opportunities exist along the southern sections of Third Avenue and Broadway. To create a comprehensive and consistent vision for the successful redevelopment of the South Geographic Focus Area, it will be a high priority of the Agency to help fund and coordinate the preparation of a Southwest Specific Plan. The Southwest Specific Plan would establish development standards and



design guidelines consistent with the land use policies and objectives identified in the Southwest Area Plan of the 2005 General Plan Update.

Public Infrastructure & Amenities

Although the City has made significant progress upgrading Montgomery infrastructure since the 1985 annexation, major deficiencies continue to exist and will need to be addressed to support redevelopment and economic development efforts in the South Geographic Focus Area. The preparation of a Southwest Specific Plan and the development of key catalyst projects will be critical to the development of an infrastructure financing plan for the area. These redevelopment activities will compliment the City's Infrastructure Management Program, which will be designed to create a large inventory of infrastructure deficiencies and establish a prioritization system for addressing those deficiencies. To support redevelopment along Main Street, the work program in Appendix B also prioritizes the development and completion of a Main Street Improvement Plan. (Southwest)

Key Catalyst Projects

Upon preparation and completion of a Southwest Specific Plan, key catalyst projects in the South Geographic Focus Area will include:

- ⇒ Auto Park Expansion. The ongoing expansion of the Auto Park area east of the I-805 Freeway will generate much needed tax increment and sales tax revenues for public improvements throughout the South Geographic Focus Area, including a Main Street Improvement Plan. (Otay Valley)
- ⇒ Redevelopment Opportunities. The Third Avenue, Broadway, and Main Street corridors will provide important opportunities for redevelopment and economic development. Key catalyst projects along these corridors will generate significant revenues to fund public improvements and amenities in the area. (Southwest, Added Area)

HOUSING WORK PROGRAM

In addition to the plans, activities, and projects just described in the redevelopment work programs, the facilitation and financing of affordable housing in the project areas is an important and mandatory function of redevelopment. As tax increment revenues are generated in redevelopment project areas, 20 percent of the gross revenue stream is immediately set aside and placed in the Low and Moderate Income Housing Fund. Those funds, pooled with other federal and state resources and tax credits, provide an important financing tool to assist in the development of income-restricted, affordable housing projects. Low and Moderate Income Housing Funds also provide important financing for:

- ⇒ Housing programs, including First Time Homebuyer
- ⇒ Land purchases for affordable housing
- ⇒ Rehabilitation of existing multifamily housing

Housing Compliance

To ensure that redevelopment agencies appropriately plan and use housing set-aside funds for the creation of new affordable housing, state redevelopment law requires that five year implementation plans address three specific areas of housing that redevelopment plays a critical role in:

- ⇒ Housing Production: Based on the number of housing units constructed or substantially rehabilitated over a ten-year period, a Redevelopment Agency must ensure that a percentage (15%) of these units are affordable to low and moderate income households.
- Replacement Housing: Redevelopment Agencies must ensure that any housing units destroyed or removed as a result of redevelopment agency activities are replaced within four years.
- ⇒ Low and Moderate Income Housing Funds & Expenditures by Household Type: State law establishes specific requirements on the amount of housing set-aside funds an agency must spend over a 10-year period to facilitate housing that is affordable to very low and low income households.

Please turn to Appendix C for a comprehensive and detailed report on each of these reporting requirements.

Strategic Housing Objectives

In addition to meeting these legal requirements, this Five Year Implementation Plan sets forth strategic housing objectives that promote and build capacity in the Agency's ability to proactively facilitate and fund new affordable housing opportunities in western Chula Vista. These are citywide strategic objectives that apply to all three geographic focus areas, and the redevelopment project areas within.

STRATEGIC OBJECTIVE #1: EXPANSION OF REDEVELOPMENT PROJECT AREAS

The Redevelopment Agency's Low and Moderate Income Housing Funds (Low-Mod Funds) are historically the largest source of funds consistently used to help finance affordable housing. Expansion of the redevelopment project areas would further the Agency's legislative charge to remove blight, and strengthen the Agency's ability to leverage Low-Mod Funds for affordable housing, including new construction and land purchases. Expansion of the project areas would not increase or impact property taxes that owners are assessed, but instead increase the portion of those taxes that is locally captured by the Agency, including monies leveraged to fund public infrastructure and amenities. Annual deposits into the Low-Mod Fund for the next five years are currently estimated to range just above \$2 million per year, totaling an estimated \$10.4 million during the FY 2004/05-2008/09 period.



STRATEGIC OBJECTIVE #2: AFFORDABLE HOUSING IN REDEVELOPMENT PROJECT AREAS

Low-Mod Fund monies may be spent anywhere in the City of Chula Vista. To promote safe and sanitary affordable housing in western Chula Vista, however, the Agency should focus and prioritize these important resources within redevelopment project areas in neighborhoods of greatest need. The construction of new affordable housing within project areas is also required by statute. State redevelopment law contains an inclusionary housing requirement that provides that at least 15 percent of all new and substantially rehabilitated dwelling units developed within a redevelopment project area be available at affordable housing costs to, and occupied by, persons and families of low and moderate income (Health and Safety Code §33413(b)). Of this 15 percent, at least 60 percent must be available to **low and moderate** income persons or families. At least 40 percent must be available to **very low** income persons or families.

STRATEGIC OBJECTIVE #3: PROPORTIONATE INCREASE OF 20% HOUSING SET-ASIDE

To further augment the Agency's affordable housing Low-Mod Funds, the Agency may want to explore creating an accounting system that proportionately increases the annual amount of tax increment deposits into the Low-Mod Fund during years when tax increment revenues exceed certain projection goals as a result of increased redevelopment activity. As redevelopment activities successfully attract private investment and increase tax increment revenues to the Agency, the Agency's ability and financial capacity to support affordable housing activities and the Low-Mod Fund would proportionately increase. Percentage increases in the set-aside rate could occur incrementally over a series of steps as annual projection goals are met. The total number of steps should not exceed a specified set-aside rate cap, such as 25%. For example:

STEP	TAX INCREMENT REVENUE GOAL	LOW-MOD SET-ASIDE RATE
0	\$XX million	20%
1	\$XX million	21%
2	\$XX million	22%
3	\$XX million	23%
4	\$XX million	24%
5	\$XX million	25%

Revenue goals should be set at appropriate levels to signify when a significant increase in redevelopment activity has occurred since the prior step. If revenue goals are not met in a given year, the Low-Mod Set-Aside Rate would remain constant until the next step is reached, except when revenue levels fall below past projection goals. A reverse mechanism should exist to allow the Low-Mod Set-Aside Rate to revert back to previous rates if tax increment revenues fall below past projection goals. A complete and thorough analysis of developing and implementing such a policy model should be conducted (see Page 26).

PROJECTED EXPENDITURES

Based on the Agency's five year work program, estimated expenditures on redevelopment activities and projects during the first three years of this Plan will be limited as redevelopment efforts are focused on the preparation and adoption of key land use plans and policies and the development of infrastructure financing programs. Upon construction of key catalyst projects, however, tax increment revenues will significantly increase and provide needed funding to finance new public infrastructure and amenities and affordable housing opportunities. Baseline projections of annual net tax increment revenues, based on current assessed values and estimated annual growth, are listed in the following table. These are <u>net</u> tax increment projections and exclude 20 percent set-aside monies that are deposited into the Low and Moderate Income Housing Fund.

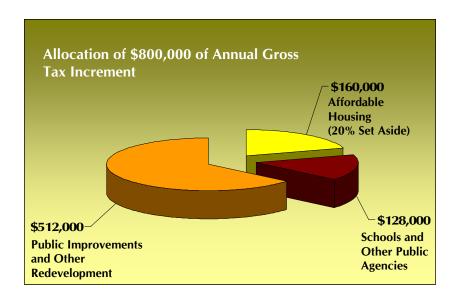
Annual Net Tax Increment Projections

	FY 04/05	FY 05/06	FY 06/07	FY 07/08	FY 08/09	TOTAL
Merged Bayfront / Town Centre I	\$432,217	\$246,476	\$812,581	\$764,768	\$841,005	\$3,097,047
Merged Chula Vista	\$1,471,201	\$1,830,908	\$2,182,069	\$2,246,291	\$2,313,033	\$10,043,502
TOTAL	\$1,903,418	\$2,077,384	\$2,994,650	\$3,011,059	\$3,154,038	\$13,140,549

These baseline revenues will be expended annually on the following core activities:

- □ Debt service payments on outstanding bonds
- ⇒ Pass-through of tax increment to schools and other taxing entities
- ⇒ General administration

During Fiscal Year 2008/09, key catalyst projects are anticipated to create 200 new housing units, generating an additional \$800,000 in annual **gross** tax increment. These additional tax increment revenues will fund approximately \$512,000 annually in new public improvements and other redevelopment activities. The pie chart below illustrates how \$800,000 in annual gross tax increment would be allocated among the three basic public uses: (1) affordable housing, (2) schools and other public agencies, and (3) public improvements and other redevelopment.





APPENDIX A: TERMINOLOGY

The following are definitions of terms and phrases used throughout this report. This list has been prepared to reduce confusion and avoid their common misuse to describe the City's various planning and redevelopment activities in western Chula Vista.

20 Percent Set-Aside: The California Community Redevelopment Law requires that at least 20 percent of all tax increment revenues generated from a redevelopment project area must be used by the Redevelopment Agency to increase, improve, and preserve the community's supply of affordable housing for persons and families of low and moderate income (Health and Safety Code §33334.2). Health and Safety Code Section 33334.3 further requires that all set-aside funds are required to be held in a separate *Low and Moderate Income Housing Fund* until used, including any interest earned and repayments to the Fund. The Agency may spend monies from the Housing Fund either within or outside of the redevelopment project areas, if the Agency finds that the use of the monies outside will benefit the project areas (§33334.2(g)).

<u>Absorption Rates</u>: The rate at which real estate properties are able to be sold or leased within a designated market region or focus area. Absorption rates are often used to forecast market conditions and analyze the feasibility of a project based on a variety of market factors. Absorption rates are also used to describe the rate of change, turnover of property, and creation of new housing units over an identified period of time.

Affordable Housing: Housing that has a deed restriction regulating the maximum income level of occupants and the maximum rent or sales price.

Agency Participation: The direct participation of a redevelopment agency in a project through the execution of an agreement with the developer (e.g., Disposition and Development Agreement, Owner Participation Agreement). Such an agreement for a redevelopment project triggers the requirement for an Agency to: (1) provide relocation assistance and benefits to residents and business owners; and (2) replace housing units on a one-for-one basis if the project will destroy housing for low- or moderate income residents.

<u>Blight</u>: A primary legislative charge of a redevelopment agency is to eliminate blight. Territory included within a redevelopment project area must therefore meet specific statutory requirements regarding blight. Health and Safety Code Section 33030 defines "blighted area" as one that is: (1) predominately urbanized; (2) underutilized to the extent that is constitutes a serious physical and economic burden on the community; and (3) characterized by one or more physical or economic conditions as described and set forth in Section 33031:

- 33031. (a) This subdivision describes physical conditions that cause blight:
- (1) Buildings in which it is unsafe or unhealthy for persons to live or work. These conditions can be caused by serious building code violations, dilapidation and deterioration, defective design or physical construction, faulty or inadequate utilities, or other similar factors.
- (2) Factors that prevent or substantially hinder the economically viable use or capacity of buildings or lots. This condition can be caused by a substandard design, inadequate size given present standards and market conditions, lack of parking, or other similar factors.
- (3) Adjacent or nearby uses that are incompatible with each other and which prevent the economic development of those parcels or other portions of the project area.
- (4) The existence of subdivided lots of irregular form and shape and inadequate size for proper usefulness and development that are in multiple ownership.
 - (b) This subdivision describes economic conditions that cause blight:
- (1) Depreciated or stagnant property values or impaired investments, including, but not necessarily limited to, those properties containing hazardous wastes that require the use of agency authority as specified in Article 12.5 (commencing with Section 33459).

- (2) Abnormally high business vacancies, abnormally low lease rates, high turnover rates, abandoned buildings, or excessive vacant lots within an area developed for urban use and served by utilities.
- (3) A lack of necessary commercial facilities that are normally found in neighborhoods, including grocery stores, drug stores, and banks and other lending institutions.
- (4) Residential overcrowding or an excess of bars, liquor stores, or other businesses that cater exclusively to adults, that has led to problems of public safety and welfare.
 - (5) A high crime rate that constitutes a serious threat to the public safety and welfare.

<u>California Community Redevelopment Law:</u> The authority to establish a redevelopment agency, and the authorities granted to an agency, including the adoption and implementation of a redevelopment plan, is granted and governed by the California Community Redevelopment Law. The Law is contained in California Health and Safety Code Sections 33000 et seg.

Eminent Domain: Eminent domain is considered by the U.S. and California Constitutions as the sovereign right of government to take private property for public use. The U.S. Constitution limits the use of eminent domain by providing that "private property shall not be taken for a public use, without just compensation." Some state legislatures further limit, or establish procedures for, the use of eminent domain. In California, the legislature has enacted a comprehensive statute known as the Eminent Domain Law, contained in Sections 1230.010 et seq. of the California Code of Civil Procedure. The California Community Redevelopment Law provides for the use of eminent domain to eliminate blight. The Chula Vista Redevelopment Agency has adopted local policies within the City's Redevelopment Plan for the Merged Chula Vista Project Area that prohibit the use of eminent domain on any property that is both zoned and used for residential purposes.

<u>Housing Element</u>: The State of California requires cities and counties to prepare a Housing Element as part of their comprehensive General Plans. The Housing Element must address the housing need for all income levels through adequate zoning, policies, and programs. The City of Chula Vista's existing Housing Element (originally created for the 1999-2004 planning cycle) was approved by the State of California in 1999. The City is in the process of updating the Housing Element to address similar housing needs and policy issues for the 2005-2010 planning cycle.

Redevelopment Inclusionary Housing Requirement: Redevelopment law requires that at least 15 percent of all new and substantially rehabilitated dwelling units developed within a redevelopment project area be available at affordable housing costs to, and occupied by, persons and families of low and moderate income (Health and Safety Code §33413(b)). Of this 15 percent, at least 60 percent must be available to low- and moderate income persons or families. At least 40 percent must be available to very low income persons or families.

Redevelopment Project Area: Territories adopted by and placed under the jurisdiction and authority of a redevelopment agency. Within project area boundaries, the Agency may use its general powers to collect tax increment revenues, create a Low and Moderate Income Housing Fund, and conduct other redevelopment activities in accordance with the California Community Redevelopment Law. A project area is a "predominantly urbanized area of a community which is a blighted area, the redevelopment of which is necessary to effectuate the public purposes" of a Redevelopment Agency as set forth under state law (Health and Safety Code §33320.1).

<u>Relocation Assistance</u>: When applicable, Federal and state laws establish extensive relocation rules and regulations for cities and redevelopment agencies.

⇒ The Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) dictate relocation regulations in relation to the public acquisition of real estate for a Federal project or a project in which Federal funds are used.



⇒ California Government Code (beginning at Section 7260) prescribes the process and procedures for relocation assistance by public agencies when applicable.

Replacement Housing: Subdivision (a) of Section 33413 the California Health and Safety Code sets forth the Redevelopment Agency's statutory requirements for replacement housing:

33413. (a) Whenever dwelling units housing persons and families of low or moderate income are destroyed or removed from the low- and moderate income housing market as part of a redevelopment project that is subject to a written agreement with the agency or where financial assistance has been provided by the agency, the agency shall, within four years of the destruction or removal, rehabilitate, develop, or construct, or cause to be rehabilitated, developed, or constructed, for rental or sale to persons and families of low or moderate income, an equal number of replacement dwelling units that have an equal or greater number of bedrooms as those destroyed or removed units at affordable housing costs within the territorial jurisdiction of the agency. When dwelling units are destroyed or removed after September 1, 1989, 75 percent of the replacement dwelling units shall replace dwelling units available at affordable housing cost in the or a lower income level of very low income households, lower income households, and persons and families of low and moderate income, as the persons displaced from those destroyed or removed units. When dwelling units are destroyed or removed on or after January 1, 2002, 100 percent of the replacement dwelling units shall be available at affordable housing cost to persons in the same or a lower income category (low, very low, or moderate), as the persons displaced from those destroyed or removed units.

<u>Tax Increment</u>: Tax increment is the primary source of revenue that redevelopment agencies have to fund and undertake public improvement and affordable housing projects. It is based on the assumption that a revitalized project area will generate more property taxes than were being produced before redevelopment. When a redevelopment project area is adopted, the current assessed values of the property within the project area are designated as the base year value. Tax increment comes from the increased assessed value of property, not from an increase in tax rate. Any increases in property value, as assessed because of change of ownership or new construction, will increase tax revenue generated by the property. This increase in tax revenue is the tax increment that goes to the Agency.

APPENDIX B: REDEVELOPMENT WORK PROGRAMS (2005-2009)

During the next five years, the Agency will undertake certain projects and activities in the redevelopment project areas in accordance with the strategic objectives described in this Plan: (1) Plans & Policies, (2) Public Infrastructure & Amenities, and (3) Key Catalyst Projects. The following work programs are organized by geographic focus area: North, West, South, and All Areas.

ALL GEOGRAPHIC FOCUS AREAS / REDEVELOPMENT PROJECT AREAS

Goals & Objectives/		,	Goals	Anticipated Completion				
	Implementing Programs	Area	Achieved	2006	2007	2008	2009	
	COMPREHENSIV	E PLANNING I	OOCUMENTS &	PROCESS	ES			
De pro info ber	evelop an outreach and education evelop an outreach and education orgam to provide the community with cormation regarding the purpose and nefits of redevelopment, the Agency's e, tools used, and specific evelopment proposals.	Merged Bayfront / Town Centre I -Bayfront -Town Centre I	\$ INVEST					
	Update of the City and Agency's website to provide accurate and appropriate information regarding redevelopment in general and specific programs and projects.	Merged Chula Vista -Town Centre II -Southwest		•				
	Development of written materials to communicate with the general public about redevelopment.	-Otay Valley -Added		•				
	Provide general and technical information to community organizations other civic groups.	Area		•	•	•	•	
	Implement an ongoing process of educating and encouraging input from the community regarding specific development proposals.			•	•	•	•	



Goals & Objectives/	Project	Goals	Anticipated Completion							
Implementing Programs	Area	Achieved	2006	2007	2008	2009				
	AFFORDABLE HOUSING									
Expansion of the Chula Vista Redevelopment Project Area Adding territory to the existing Merged Chula Vista Redevelopment Project Area would further the Agency's legislative charge to remove blight, and strengthen the Agency's ability to leverage Low- Mod Funds for affordable housing, including new construction and land purchases. Completion of this project would alleviate factors hindering economically viable use, and help fulfill the Agency's affordable housing obligations. Adoption of a Survey Area. Adoption of Redevelopment Project Area expansion.	Merged Bayfront / Town Centre I -Bayfront -Town Centre I Merged Chula Vista -Town Centre II -Southwest -Added Area	CLEAN ACCESS PRESERVE S INVEST WORK		•		•				
Proportionate Increase of 20% Housing Set-Aside Conduct a policy study for developing an accounting system that proportionately increases the annual amount of tax increment that is deposited into the Low-Mod Fund as tax increment revenues reach specified goal levels. This project would further the Agency's ability to facilitate the creation of affordable housing and meet its statemandated housing obligations. Policy study to analyze the accounting structure and identify appropriate tax increment thresholds for set-aside increases.	Merged Bayfront / Town Centre I -Bayfront -Town Centre I Merged Chula Vista -Town Centre II -Southwest -Added Area	LIVE		•						

NORTH GEOGRAPHIC FOCUS AREA

Goals & Objectives /	Project Goals		Anticipated Complet			on
Implementing Programs	Area	Achieved	2006	2007	2008	2009
	PLANS & P	OLICIES				
Urban Core Specific Plan (UCSP) Support the preparation and completion of the Urban Core Specific Plan. As part of the City's envisioning effort for continued revitalization in the Urban Core, the UCSP provides design guidelines for the three districts, identified as the Urban Core District, the Village District, and the Corridors District. These areas in the UCSP fall within the existing Merged Town Centre II, Otay Valley and Southwest Redevelopment Project Areas. Completion of this project would alleviate factors hindering economically viable use. Support City efforts to complete and adopt the Urban Core Specific Plan (UCSP) and certify the UCSP Program Environmental Impact Report (EIR)	Merged Bayfront / Town Centre I -Town Centre I Merged Chula Vista -Town Centre II -Added Area	SHOP ACCESS INVEST WORK GROW	•			
Town Centre I Redevelopment Plan Amendment	Merged Bayfront / Town		•			
Complete ERAF extensionAgency will coordinate and work with a redevelopment consultant to	Centre I -Town Centre I	GROW	•			
amend the land use designations in the Town Centre I Redevelopment Plan.	Centre					



Goals & Objectives /		Goals	Ant	Anticipated Completion			
Implementing Programs	Area	Area Achieved	2006	2007	2008	2009	
Environmental Remediation Agency will coordinate and work with the individual property owners as contaminated sites are identified for the remediation of hazardous materials to create a viable development site. Completion of this project would alleviate factors hindering economically viable use.	Merged Bayfront / Town Centre I -Town Centre I Merged Chula Vista -Town Centre II -Added Area	CLEAN PRESERVE S INVEST	•	•	•	•	
PUBLIC	INFRASTRUCT	URE & AMENIT	IES				
Third Avenue Streetscape Improvement Master Plan To encompass the Third Avenue corridor from E Street to the north and H Street to the South. The plan will include street improvements, street furniture, and lighting to improve circulation and provide for quality design, aesthetics, and identity to the area. Completion of this project would improve public infrastructure. Completion of this project would alleviate factors hindering economically viable use. Agency will coordinate with the Third Avenue Village Association, the City's Engineering and General Services Department to complete a streetscape plan. The General Services Department will complete the installation and construction of identified streetscape improvements.	Merged Bayfront / Town Centre I -Town Centre I Merged Chula Vista -Added Area	PRESERVE	•	•	•	•	

Goals & Objectives /	· · · · · · · · · · · · · · · · · · ·	Goals	Ant	cipated Completion		
Implementing Programs	Area	Achieved	2006	2007	2008	2009
F Street Streetscape Improvement Master Plan To encompass F Street from Interstate-5 to Fourth Avenue. The plan will include an assessment of current deficiencies in the infrastructure and street, to include sewer, curbs, sidewalks, gutters, and medians, and the planning, design, and construction of necessary improvements to address the deficiencies. Improvements would assist in the redevelopment of the City's old Corporation yard. Completion of this project would improve public infrastructure. Completion of this project would alleviate factors hindering economically viable use. Agency will coordinate with the Engineering Department to complete an assessment of current deficiencies and an improvement plan to address identified deficiencies. The Agency will also coordinate with the Finance Department and Engineering to develop a Financing Plan for the necessary improvements.	Merged Bayfront / Town Centre I -Town Centre I Merged Chula Vista -Town Centre II	CLEAN ACCESS PRESERVE INVEST GROW		•		
☐ The General Services Department will complete the construction of identified street improvements.						•



Goals & Objectives /	Project	Goals	Anticipated Completion				
Implementing Programs	Area	Achieved	2006	2007	2008	2009	
Parking – Downtown With the contemplated development of Agency lots currently used for surface parking, there is a long-term parking management plan to better serve the retail/commercial uses within the vicinity. Completion of this project would improve inadequate public improvements. Conduct a study of the parking needs for the Third Avenue commercial corridor and develop a financing plan for the development of parking lots/structures.	Merged Bayfront / Town Centre I -Town Centre I Merged Chula Vista -Town Centre II	ACCESS	•	•			
1	KEY CATALYST	PROJECTS					
Third Avenue Redevelopment Opportunities The development or redevelopment of vacant or underdeveloped properties located along the Third Avenue corridor from E Street to the North and G Street to the South. Completion of this project would alleviate factors hindering economically viable use. □ Enter into Exclusive Negotiating Agreements and pursue Development & Disposition Agreements to provide the Agency with the ability to explore, initiate, and enter into different types of development agreements for future redevelopment projects. (Town Centre I) □ Negotiate and complete four	Merged Bayfront / Town Centre I -Town Centre I Merged Chula Vista -Town Centre II	CLEAN SHOP PRESERVE INVEST WORK	•	•			
Agreements for mixed-use retail and residential developments. (Town Centre II)		GROW					

Goals & Objectives /	Project	Goals	Ant	icipated C	ompletio	on
Implementing Programs	Area	Achieved	2006	2007	2008	2009
 Facilitate the completion of 60,000 sq. ft of new retail/commercial development. (Town Centre I) Facilitate the completion of 400 market rate homeownership units. (Town Centre I) 					•	•
E Street & Woodlawn Redevelopment Opportunities	Merged Chula Vista					
The redevelopment of underdeveloped properties located south of E Street along Woodlawn Avenue to provide a mixeduse retail and residential development.	-Town Centre II -Added Area	SHOP				
Completion of this project would alleviate factors hindering economically viable use.		PRESERVE \$				
☐ The Agency will pursue Agreements with Property Owners and Developers to provide the Agency with the ability to explore, initiate, and enter into different types of development agreements for future redevelopment projects.		WORK		•		
□ Facilitate the completion of 300 market rate homeownership units.		GROW				•
□ Facilitate the completion of 60,000 sq. ft of new retail/commercial development.						•
Scripps Hospital	Merged	\$		•		
Assist Scripps hospital in developing a business plan to maintain the presence of quality medical facilities in the Northwest area of the City.	Chula Vista -Town Centre II	INVEST				
Gateway	Merged				•	
 Complete construction of at 100,000 sq feet of commercial/retail as the third phase of the development located at the NWC of Third Avenue and H Street 	Centre I	WORK				



	Goals & Objectives /	Project	Goals	Ant	icipated C	ompletic	on
	Implementing Programs	Area	Achieved	2006	2007	2008	2009
		AFFORDABLE	HOUSING				
	Complete Seniors on Broadway Housing Project This project would provide 41-units of rental housing for extremely low and very low income seniors in the Southwest Project Area at 825 Broadway between Sierra Way and 'K' Street.	Merged Chula Vista -Southwest	LIVE	•			
elir via	mpletion of this project would minate factors hindering economically ble use, and help fulfill the Agency's ordable housing obligations.						
Ne	w Construction of Housing	Merged Bayfront /					
	The Agency will work to acquire property for the purpose of assisting in the construction of 100 affordable rental units for very low and low-income households.	Town Centre I -Town Centre I	LIVE		•		
	Completion of this project would eliminate factors hindering economically viable use, and help fulfill the Agency's affordable housing obligations.						
	Expand housing opportunities for very low and low-income residents by partnering with affordable housing developers and providing land and or other financial assistance for the new construction of approximately 100 rental units.						•
	Completion of this project would eliminate factors hindering economically viable use, and help fulfill the Agency's affordable housing obligations.						

WEST GEOGRAPHIC FOCUS AREA

Goals & Objectives /	Project	Goals	Ant	icipated C	ompletic	on
Implementing Programs	Area	Achieved	2006	2007	2008	2009
	PLANS & PO	OLICIES				
Bayfront Redevelopment - Planning Support the Bayfront master planning effort between the Port of San Diego and the City of Chula Vista to create comprehensive, up-to-date, and streamlined policies and initiatives for the Bayfront Project Area. Support City efforts to prepare and apply policy and legislative documents that enable the implementation of the Chula Vista Bayfront Master Plan elements located within the City's jurisdiction. Completion of this project would improve inadequate public improvements.	Merged Bayfront / Town Centre I -Bayfront	ACCESS INVEST WORK GROW				
 Amendment to the existing Bayfront Redevelopment Plan, changing the land use designations, which are outdated and no longer consistent with the City's General Plan. Support the California Coastal Commission (CCC) Approval of Local Coastal Plan Amendment (LCPA) and Port Master Plan Amendment (PMPA) 			•	•		
□ Support efforts by the developer and the Port to obtain State Lands Approval					•	



Aras	Project	Goals	Ant	icipated C	ompletic	on
Implementing Programs	Area	Achieved	2006	2007	2008	2009
PUBLIC	INFRASTRUCT	URE & AMENIT	TES			
Bayfront Redevelopment – Infrastructure Improvements The Bayfront area lacks the necessary public infrastructure to support the redevelopment of the area to more intense land uses as proposed within the Bayfront Master Plan. The redevelopment of the Bayfront area is a joint effort between the Port of San Diego and the City of Chula Vista. Completion of this project would improve inadequate public improvements. Agency will coordinate with the Port, the City's Engineering Department and General Services Department to complete an assessment of the current public infrastructure needs. The Agency will also coordinate with the Finance Department and Engineering to develop the City's participation in the Financing Plan for the necessary improvements.	Merged Bayfront / Town Centre I -Bayfront	CLEAN ACCESS INVEST WORK GROW	•	•		
Goodrich Goodrich has consolidated its operations within the Northern Area of the Bayfront. The consolidation now allows the redevelopment of their former site of operation. Completion of this project would alleviate factors hindering economically viable use. Completion of activities to allow the transfer of the Rados property to Goodrich as required by the Agreement to allow for the consolidation within its North Campus and vacancy of its former operations.	Merged Bayfront / Town Centre I -Bayfront	INVEST GROW CLEAN	•			

	Goals & Objectives /	Project	Goals	Ant	icipated C	ompletio	n
	Implementing Programs	Area	Achieved	2006	2007	2008	2009
	Demolition and removal of vacant buildings located at Goodrich's former operations.					•	
	Environmental cleanup of groundwater contamination in the West Geographic Focus Area.					•	•
	1	KEY CATALYST	PROJECTS				
Res	sort Conference Center	Merged	<u>a</u>				
400	velopment of a 1,500 room hotel and 0,000 sq foot convention space within Bayfront.	Bayfront / Town Centre I -Bayfront	SHOP				
alle	mpletion of this project would eviate factors hindering economically ble use.	-Баунон	GROW				
	Select the developer and operator of a quality Resort Conference Center (RCC) and begin negotiations.			•			
	Commence construction of the Resort Conference Center (RCC).						•
Res	sidential Development	Merged					
res	nstruction of up to 2,000 units of idential units within the Bayfront ster planning area.	Bayfront / Town Centre I	GROW				
alle	mpletion of this project would eviate factors hindering economically ble use.	-Bayfront					
	Entitle the residentially zoned land of the Bayfront Master Plan area.					•	
	Commence construction of the first phase of the residential development.						•



SOUTH GEOGRAPHIC FOCUS AREA

	Goals & Objectives /	Project	Goals	Ant	icipated C	Completic	on
	Implementing Programs	Area	Achieved	2006	2007	2008	2009
		PLANS & PO	OLICIES				
Facof prode de pro Co	cilitate the financing and preparation a Specific Plan for the Southwest to ovide for appropriate land uses and velopment standards to facilitate the velopment and redevelopment of operties within the area. Impletion of this project would eviate factors hindering economically able use. Work with the Finance Department and the Office of Budget & Analysis to develop a financing plan for the development of the Southwest Specific Plan and initiate the development of the Plan.	Merged Chula Vista -Southwest	ACCESS WORK GROW	•			
	Support City efforts to complete the Southwest Specific Plan.					•	
Co	wironmental Remediation Impletion of this project would Eviate factors hindering economically ble use. Agency will coordinate and work with the Grants Manager to submit an application for EPA Brownfield Assessment Grant Program for Phase I Site Assessments for the entire Southwest Project Area	Merged Chula Vista -Southwest	PRESERVE		•		
	If awarded, the Agency will complete Phase I Site Assessments for environmental remediation of the entire Southwest Project Area.					•	

Project	Goals	Ant	icipated C	ompletic	letion		
Area	Achieved	2006	2007	2008	2009		
				•			
					•		
INFRASTRUCT	URE & AMENIT	ΓIES					
Merged Chula Vista -Southwest	ACCESS INVEST GROW			•	•		
	INFRASTRUCT Merged Chula Vista	Area Achieved INFRASTRUCTURE & AMENIT Merged Chula Vista -Southwest Access INVEST	INFRASTRUCTURE & AMENITIES Merged Chula Vista -Southwest Access INVEST	INFRASTRUCTURE & AMENITIES Merged Chula Vista -Southwest Access INVEST	Area Achieved 2006 2007 2008 INFRASTRUCTURE & AMENITIES Merged Chula Vista -Southwest SINVEST		



	Goals & Objectives /	Project	Goals	Ant	icipated C	ompletic	on
	Implementing Programs	Area	Achieved	2006	2007	2008	2009
	1	KEY CATALYST	PROJECTS				
Co	development Opportunities mpletion of this project would eviate factors hindering economically ble use. Identification of key strategic sites, which are vacant, stagnant or underutilized, to stimulate redevelopment Facilitate completion of 180,000 sq. ft of new industrial development with appropriate access and visibility to I-805.	Merged Chula Vista -Southwest	SHOP PRESERVE S INVEST WORK	•	•		
Co	to Park Expansion mpletion of this project would eviate factors hindering economically ble use. Facilitate completion of 5 auto dealerships Complete construction of directional signs for Auto Park, including visible freeway signage.	Merged Chula Vista -Otay Valley	INVEST		•		•
De pro info ber rol	velop an outreach and education orgam to provide the community with cormation regarding the purpose and nefits of redevelopment, the Agency's e, tools used, and specific velopment proposals. Implement an ongoing process of educating and encouraging input from the community regarding specific development proposals	Merged Chula Vista -Town Centre II -Added Area -Southwest -Otay Valley	\$ INVEST	•	•	•	•

Goals & Objectives /	Project	Goals	Anticipated Completion					
Implementing Programs	Area	Achieved	2006	2007	2008	2009		
AFFORDABLE HOUSING								
Affordable Housing Program Expand housing opportunities for low and moderate-income residents by partnering with affordable housing developers and providing assistance for the new construction of approximately 240 dwelling units. Completion of this project would eliminate factors hindering economically viable use. Complete construction of 120 new low or moderate-income dwelling units. Complete construction of 120 new low or moderate-income dwelling units.	Merged Chula Vista -Southwest	LIVE		•		•		



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APPENDIX C: HOUSING COMPLIANCE

"The Legislature finds and declares that the provision of housing is itself a fundamental purpose of the Community Redevelopment Law and that a generally inadequate statewide supply of decent, safe, and sanitary housing affordable to persons and families of low or moderate income, as defined by Section 50093, threatens the accomplishment of the primary purposes of the Community Redevelopment Law, including job creation, attracting new private investments, and creating physical, economic, social, and environmental conditions to remove and prevent the recurrence of blight."

Health and Safety Code Section 33334.6(a)

OVERVIEW

To ensure that low and moderate income families have housing opportunities available to them as project areas change and redevelop, state law establishes three fundamental requirements of redevelopment agencies (listed below). As a result of these requirements, redevelopment agencies play an important role in the funding and production of affordable housing for the entire community.

- ⇒ Housing Production: Based on the number of housing units constructed or substantially rehabilitated over a ten year period, a Redevelopment Agency must ensure that a percentage of these units are affordable to low and moderate income households.¹
- ⇒ Replacement Housing: Redevelopment Agencies must ensure that any housing units destroyed or removed as a result of an Agency redevelopment project are replaced within four years.
- ⇒ Low and Moderate Income Housing Funds & Expenditures by Household Types: A minimum of 20 percent of all of "tax increment" revenues must be set aside for the development of affordable housing. The law establishes specific requirements for the amount of housing set-aside funds an agency must spend over a 10-year period on housing that is affordable to very low and low income households.

This section of the Implementation Plan addresses these three specific requirements of State law with respect to prior affordable housing activities and the anticipated housing program in the future. The Plan specifically demonstrates how the Agency has met its obligations in years prior to 2005 and the activities, polices and/or procedures that the City and Agency may pursue to increase and encourage the provision of housing affordable to very low and low or moderate income households over the next 10 years.

¹ Since the Bayfront Original Project Area was adopted prior to 1976, State Law does not trigger production requirements. However, it does apply to Bayfront Amended area.



HOUSING PRODUCTION

The Agency must ensure that very low and low and moderate income households have opportunities to reside within Redevelopment Project Areas as these areas change and redevelop through the provision of affordable housing. When new or substantially rehabilitated housing is produced within Redevelopment Project Areas, the Agency incurs an obligation to provide a portion of these housing units as affordable to very low and low and moderate-income households. This requirement is known as the inclusionary housing or production requirement (California Health and Safety Code §33413).



The requirement for affordable housing differs for Agency-developed housing versus privately-developed housing. If housing is developed by the Agency, the Agency's requirement to provide affordable housing is based upon a minimum of thirty percent (30%) of these housing units. Not less than half of these units, or fifteen percent (15%), shall be available for very low income households. The requirement is a minimum of fifteen percent (15%) when developed by persons or entities other than the Agency. At least forty percent (40%) of these units (or 6% of the total) must be available for very low income households. Historically, the Agency has not directly developed any housing and does not anticipate developing housing in the future. Instead, the Agency relies on other entities to develop housing with the assistance of the Agency where feasible and appropriate.

The Agency may satisfy its inclusionary housing requirements by aggregating affordable housing throughout, and outside of, the Project Areas rather than by individual residential developments. When the Agency seeks to meet its affordable housing requirement outside of the Project Areas, two affordable housing units must be provided for every one housing unit required and the Agency must make a determination of benefit to the Project Areas.

Anticipated Affordable Housing Production

To meet its housing production requirement for the 10-year period and the life of the Redevelopment Plans, the Chula Vista Redevelopment Agency partners with private housing developers to provide affordable housing for low and moderate income households. The Agency assists in the creation of new housing developments and the rehabilitation of existing housing both within and outside of the Project Areas. The Agency has received credit for affordable housing built primarily outside of the Project Areas through the continued implementation of Policy 3.5 of the City's Housing Element, which requires all new housing developments of 50 units or more to provide 10 percent of the housing as affordable to low and moderate income households.

Over the past ten year period, there has been very little housing development within the Project Areas due to the limited availability of residentially zoned land. However, the Agency was able to participate in numerous affordable housing developments, mostly outside of the Project Areas. From Fiscal Years 1994-95 through 2003-04, a total of 389 new housing units were produced within the Project Areas, resulting in a total affordable housing requirement of 58 units (see Table 1). Within this time period, the Agency exceeded its housing production requirement with a surplus of 389 units inside and outside of the Project Areas. The surplus units, of which 66 units are for very low income households, will be used to satisfy the Agency's future production requirements for FY 2004-05 through 2013-14.

With the continued growth of the City's population and its ongoing redevelopment focus in the City's Urban Core, it is anticipated that new construction of housing will increase significantly during the ten-year period from 2004-05 through 2013-14. The ten-year forecast includes actual projects approved, projects in the

process of completion by the Agency, and potential housing units proposed in the work program of this Implementation Plan, as detailed in Appendix B.

During the current 10-year period, it is estimated that approximately 2,000 housing units will be built within the Project Areas in accordance with the Redevelopment Work Program (Appendix B). Based upon this estimate, the Agency is required to provide 300 very low and low and moderate income housing units, with 120 required as very low income. During this period, the Agency expects to assist in the production of a total of 624 affordable housing units, of which approximately 127 may be designated as very low income. The Agency expects to exceed its housing production requirement for very low and low and moderate units during the ten-year period with a surplus of 323 affordable units. See Table 1 for a comprehensive summary of the Agency's affordable housing requirements during: (1) the previous 10-year period (1994-95 to 2003-04), (2) the current 10-year period (2004-05 to 2013-14), (3) the following 20-year period (2014-15 to 2034-35), and (4) the cumulative duration of all redevelopment plans (1994-95 to 2034-35).

Based upon these projections, it is estimated that the Agency will exceed the requirements for very low income and low and moderate-income households through the duration of the Redevelopment Plans. Should actual housing production exceed the estimated projections of this Plan, the Agency intends to leverage its available financial resources to assist private entities to provide affordable housing.



		AFFORDABLE HOUSING (for Low & Moderate Income)								
TIME PERIOD	Total Housing		Required			Produced		Ne	et Surplus/Defic	cit
	Production	Very Low	Low & Mod	TOTAL	Very Low	Low & Mod	TOTAL	Very Low	Low & Mod	TOTAL
		PREVIO	US 10-YEAR PER	RIOD (1994-9	5 to 2003-04)					
Merged Bayfront/Town Centre I Project Area	235	14	21	35	0	71	71	(14)	50	36
Merged Chula Vista Project Area	154	9	14	23	45	1	46	36	(13)	23
Outside Project Areas					45	286	331	44	286	330
SUBTOTAL	389	23	35	58	90	358	448	66	323	389
		CURRENT	10-YEAR FORE	CAST (2004	-05 to 2013-14)					
Merged Bayfront/Town Centre I Project Area	1,405	84	126	211	20	80	100	(64)	(46)	(111)
Merged Chula Vista Project Area	595	36	54	89	71	176	247	35	122	158
Outside Project Areas					36	241	277	36	241	277
SUBTOTAL	2,000	120	180	300	127	497	624	7	317	324
		FOLLOWIN	G 20-YEAR FOR	ECAST (201	4-15 to 2034-3	5)				
Merged Bayfront/Town Centre I Project Area	500	30	45	75	20	80	100	(10)	35	25
Merged Chula Vista Project Area	500	30	45	75	20	80	100	(10)	35	25
Outside Project Areas					0	0	0	0	0	0
SUBTOTAL	1,000	60	90	150	40	160	200	(20)	70	50
	СИМ	ULATIVE REDE	EVELOPMENT PL	AN DURAT	ON (1994-95 to	o 2034-35)				
Merged Bayfront/Town Centre I Project Area	2,140	128	193	321	40	231	271	(88)	38	(50)
Merged Chula Vista Project Area	1,249	75	112	187	136	257	393	61	145	206
Outside Project Areas					80	527	607	80	527	607
SUBTOTAL	3,389	203	305	508	256	1,015	1,271	53	710	763

REPLACEMENT HOUSING

In accordance with Section 33413(a) of the Health and Safety Code, whenever a dwelling unit housing persons or families of low or moderate income are destroyed or removed from the housing market as part of a redevelopment project that is subject to a written agreement with the Agency or where financial assistance has been provided by the Agency, the Agency is responsible for replacing that unit within four years. Replacement housing must have an equal or greater number of bedrooms as those units removed and must be affordable to equal or lower income levels as those displaced. As of 2002, the Agency had replaced all 50 units



removed from the redevelopment project areas. The Agency does not have any outstanding replacement housing obligations and is in full compliance with the statutory requirements.

During the Implementation Plan period, the Agency anticipates a significant level of commercial and residential development. However, most existing land uses in the Project Areas are commercial, and most new development opportunities will take place on underutilized commercial properties or properties that are currently vacant. The Agency anticipates that Agency-assisted projects will not result in the displacement or removal of housing units and no replacement housing obligations will be incurred.

HOUSING FUND REVENUES & EXPENDITURES

California Redevelopment Law requires a Redevelopment Agency to direct a minimum of 20 percent of all gross tax increment revenues generated within its Project Areas to a separate fund to be used exclusively for the preservation, improvement, and expansion of the low and moderate income housing supply within the community. This section summarizes the Agency's Low and Moderate Income Housing Fund resources and units assisted from FY 1999-00 through 2003-04, as well as resources and activities anticipated for this current period from FY 2004-05 through 2008-09. Additionally, this section analyzes the Agency's expenditure of these funds in relation to the community's need for very low and low income housing, as well as the proportion of the population under the age of 65, as required by Section 33334.4 of the Health and Safety Code.

Housing Fund Expenditures: FY 1999-00 through 2003-04

The Agency expended approximately \$10.6 million over the last five years from FY 1999-00 through 2003-04. These funds were expended for the production of 533 affordable housing units, the rehabilitation of 35 single family homes and mobile homes, and the maintenance and operation of mobile home spaces.

Tuble 2. Flousing Chits Assisted									
Description	1999-2000	2000-01	2001-02	2002-03	2003-04	TOTAL			
Project Areas									
Trolley Trestle	11					11			
Brisa del Mar				35		35			
Subtotal	11	0	0	35	0	46			
Outside of Project Areas									
Villa Serena Senior Apts		132				132			
St. Regis Park Apts (Rehab)		119				119			
Sunrose Apts				180		180			
Harvest Ridge Senior Apts					91	91			
Subtotal	0	251	0	180	91	522			
TOTAL	11	251	0	180	91	533			

Table 2: Housing Units Assisted



Housing Expenditures by Household Type

Effective January 1, 2002, the Agency's expenditure of Housing Funds must be in proportion to the community's need for very low and low income housing and housing for its population under the age of 65, as specified within the City's Housing Element, Chula Vista's Housing Element bases its housing needs for each income category from the Regional Housing Needs Assessment and for age by 2000 Census statistics. Table 3 below specifies the legal limitations governing the expenditure of the Housing Funds.

Table 3: Proportionality Requirement for Housing Fund Expenditures

Household Type	No. of Households	Percentage of Housing Funds be Expended		
Very Low Income	3,845	39%	Minimum	
Low Income	2,704	28%	Minimum	
Moderate Income	3,255	33%	Maximum	
TOTAL	9,804	100%		
Age ²				
Households Under Age 65 Type	17,573	73%	Minimum	
Housholds Over Age 65	6,421	27%	Maximum	
TOTAL	23,994	100%		

Notes:

Table 4 on the following page documents the amount of Housing Fund revenue used since January 2002 for these income categories and for families and seniors. Based upon the expenditures to date, the Agency will need to target more of its Housing Funds for very low income households in order to meet the legal requirements for expenditures in proportion to the community's housing needs by income category for the 10-year period. Funds must also be targeted towards housing for families versus seniors to meet the expenditure requirements for the duration of the Redevelopment Plan.

¹ 2005-2010 Chula Vista Housing Element; RHNA

² 2000 U.S. Census; Low Income Households

Table 4: Housing Expenditures and Proportionality Since 2001-02

Hayroch ald Type		Housing Expenditures and Proportionality Since 2001-02								0/ 05	
Household Type	200	1-02	200	2002-03		2003-04		Period to Date		% of NEED	
	Units	\$	Units	\$	Units	\$	Units	\$			
Families	182	2,934,243	36	505,493	2	6,568	220	3,446,304	65%	73%	
Seniors	125	1,612,350	35	145,758	43	118,127	203	1,876,235	35%	27%	
Income Category											
Very Low Income	56	624,050	29	185,670	35	114,947	120	924,667	17%	39%	
Low Income	113	1,681,953	24	208,438	10	9,748	147	1,900,139	36%	28%	
Moderate Income	138	2,240,590	18	257,143	-	-	156	2,497,733	47%	33%	
TOTAL-AII	307	4,546,593	71	651,251	45	124,695	423	5,322,539	100%	100%	



Future Housing Activities: FY 2004-05 through 2008-09

During the Implementation Plan period, the Agency will concentrate on housing activities that are most applicable to the Agency's goals and objectives. In developing its affordable housing program, the Agency has been guided by the goals and objectives of the City's Housing Element and General Plan, incorporated into this Plan by reference. Through its activities, the Agency will support and advance the overall Housing Element program.

Housing Program

For FY 2004-05 through FY 2008-09, the Agency anticipates assisting in the new construction of 247 affordable housing units and the rehabilitation of 140 housing units within the Project Areas. Outside of the Project Areas, the Agency will partner with private entities to provide both new rental housing and rehabilitate existing rental units, for a credit of 216 housing units. To accomplish these activities, the Agency will expend approximately \$14,250,000. The details of these activities are provided in Appendix A.

Table 5: Low-Mod Housing Fund Spending Plan - Citywide

Description	2004-05		2005-06		2006	6-07	2007-08		2008-09	
	\$	Units	\$	Units	\$	Units	\$	Units	\$	Units
Project Areas										
New Construction of Housing	1,500,000	106				41			6,500,000	100
Rehab of Multifamily Housing									20,000	140
First Time Homebuyer										
Subtotal	1,500,000	106	-	-	-	41	-	-	6,520,000	240
Outside of Project Areas										
New Construction of Housing	1,000,000	150								
Rehab of Multifamily Housing							4,230,000	282		
First Time Homebuyer										
Subtotal	1,000,000	150	-	-	-	-	4,230,000	282	-	-
TOTAL	2,500,000	256	\$ -	-	\$ -	41	4,230,000	282	6,520,000	240



The Agency intends to expend a proportionate amount of these funds for the various income categories and senior households. Funds will be allocated from FY 2004-05 through 2008-09 in accordance with the targeted need as follows. The targeted percentage is slightly higher than the proportionate share of need outlined within the Housing Element to balance the proportionate share of prior years' expenditures.

Table 6: Low-Mod Housing Fund Spending Plan by Household Type

Household Type	Proportionate Target
Very Low Income	50%
Low Income	31%
Moderate Income	19%
Senior Housing	19%
TOTAL	

Housing Revenue

Based upon the existing Housing Fund balance of \$2,836,645 (as of June 30, 2004) and the estimated revenue received by the Agency from 2003-04 through 2008-09, approximately \$13,258,000 will be available to fund the Agency's Housing Program. For FY 2004-05, approximately \$2 million was deposited into the Housing Fund for eligible housing activities. Over the five-year period ending on June 30, 2009, staff conservatively estimates that the Project Areas will generate approximately \$10.4 million in 20 percent housing set aside revenue. The details of these projections are provided in Appendix B.

Table 7: Housing Fund Revenue

Low and Moderate Income							
Housing Fund	2004-05	2005-06	2006-07	2007-08	2008-09		TOTAL
Bayfront/Town Center I	\$1,139,108	\$1,161,890	\$1,185,128	\$1,208,831	\$1,233,007		\$5,927,964
Merged Amended Chula Vista	\$811,748	\$827,983	\$844,543	\$861,433	\$878,662		\$4,224,369
Interest & Other Income	\$51,675	\$52,709	\$53,763	\$54,838	\$55,935		\$268,919
Revenue: 2004-05 to 2008-09	\$2,002,531	\$2,042,582	\$2,083,433	\$2,125,102	\$2,167,604	\$	10,421,252
	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	, , , ,	, , , , , ,	Ť	-, , -
Existing Balance as of 6/30/2004						\$	2,836,645

APPENDIX D: REDEVELOPMENT PROJECT AREAS

The table below shows a summary of Chula Vista's Redevelopment Project Areas and their corresponding dates of adoption and plan duration.

Merged Chula Vista Redevelopment Project Area	Adoption Date	Plan Duration		
Fown Centre II Original	8/15/78	8/15/19		
Town Centre II Amended	7/19/88	7/19/29		
Otay Valley	12/29/83	12/29/24		
Southwest Original Adopted	11/27/90	11/27/31		
Southwest Amended	7/9/91	7/9/32		
2004 Added Area	5/4/04	5/4/34		
Merged Bayfront/Town Centre I Redevelopment Project Area	Adoption Date	Plan Duration		
Bayfront Original	7/16/74	7/16/15		
Bayfront Amended	7/7/98	7/7/29		
Town Centre I	7/6/76	7/6/17		
mplementation Plan 2005 t	to 2009			



Merged Bayfront/Town Centre I Redevelopment Project

In July 1979, the Agency merged the Bayfront Original and Town Centre I Project Areas.

Bayfront - Project Area Profile

LAND AREA: Approximately 637 acres (Original Redevelopment Area)

Approximately 398 acres (amended Redevelopment Area)

BOUNDARY: The Project Area is bounded by Interstate 5 on the east, San Diego Bay on

the west, State Route 54 to the north, and L Street to the south

LAND USE: Includes: Industrial

Commercial Central Resort Residential

National Wildlife Refuge Public and Quasi-Public Uses

GENERAL

CHARACTERISTICS:

Historically, this area had a variety of land uses ranging from industrial to farming. Large sections of the project area, notably the Midbayfront and D Street Fill are undeveloped and lack infrastructure improvements. The Bayfront is home to a marina, park, and Goodrich Industries. They also contain valuable wetland resources and provide access to the San Diego Bay.

DATE ADOPTED: July 16, 1974

DATE OF AMENDMENTS: 1st Amendment 07/17/79

 2nd Amendment
 04/22/86

 3rd Amendment
 01/04/94

 4th Amendment
 11/08/94

 5th Amendment
 06/23/98

TERM LIMIT: July 16, 2014

TAX INCREMENT LIMIT: \$210 million

REVENUE TERM: July 16, 2024

BONDED INDEBTEDNESS

LIMIT: \$50 million

CURRENT GROSS TAX

INCREMENT FLOW: \$ 2,274,411

*SOURCE: County of San Diego Office of the Auditor and Controller "Estimated Tax incremental Revenue Fiscal Year 2005-

2006"

Town Centre I - Project Area Profile

138 acres **LAND AREA:**

BOUNDARY: Third Avenue is the Project Area's central north-south circulation spine. E

> Street bounds the project in the north and I Street is the Project's southern boundary. The east-west boundaries vary, extending to Fourth Avenue at its

farthest point west and to Del Mar Avenue at its farthest point east.

LAND USE: Includes: High and Medium-High Density Residential

Professional and Administrative Commercial

Retail and Service Commercial Public and Quasi-Public Uses

GENERAL

This area serves as the valuable Chula Vista historic downtown. Town Centre **CHARACTERISTICS:** I is home to the Third Avenue business corridor, San Diego South County

Superior and Municipal Court Complex, Norman Park Senior Center, and Memorial Park, as well as a variety of commercial offices, retail and service

commercial uses, and residential units.

July 6, 1976 (Ordinance 1691) **DATE ADOPTED:**

DATE OF AMENDMENTS: 1st Amendment 07/17/79 (Ord. 1872)

> 2nd Amendment 04/22/86 (Ord. 2146) 3rd Amendment 01/04/94 (Ord. 2585) 4th Amendment 11/08/94 (Ord. 2609) 5th Amendment 06/23/98 Reso 18969

TERM LIMIT: July 6, 2016

TAX INCREMENT LIMIT: \$84 million

REVENUE TERM: July 6, 2026

BONDED INDEBTEDNESS

LIMIT: \$20 million

CURRENT GROSS TAX \$1,898,398.18

INCREMENT FLOW:

SOURCE: County of San Diego Office of the Auditor and Controller "Estimated Tax incremental Revenue Fiscal Year 2005-2006"



Merged Chula Vista Redevelopment Project

In August of 2000, Town Centre II Original, Town Centre II Amended, Otay Valley, Southwest Original, and Southwest Amended were merged. In May 2004, the Agency adopted the Amended and Restated Redevelopment Plan for the Merged Chula Vista Redevelopment Project Area, inclusive of the Added Area, which consolidated the separate redevelopment plans into a single document. The 2004 Added Area increased the size of the Merged Redevelopment Project Area to 2,390 acres.

Town Centre II Project Area Profile

LAND AREA: 141.11 acres

BOUNDARY: The Project Area consists of eight separate areas in northwest Chula

Vista, including the Chula Vista Shopping Center; and a separate

area located in southwest Chula Vista.

LAND USE:

Includes: Professional and Administrative Commercial

Retail and Service Commercial

GENERAL CHARACTERISTICS: The Project Area consists of a variety of primarily commercial land

uses, including the major H Street business corridor, region's major

shopping mall, the new WalMart Center, the City's existing

Corporate Yard, and institutional land uses.

DATE ADOPTED: July 6, 1976

DATE OF AMENDMENTS: Adopted August 1978

Amended May 1987 Amended June 1988 Amended November 1994

TERM LIMIT: August 15, 2019 (Original)

July 19, 2029 (Amended)

TAX INCREMENT LIMIT: \$42.5 million

REVENUE TERM: August 15, 2029 (Original)

July 19, 2039 (Amended)

BONDED INDEBTEDNESS LIMIT: \$100 million

CURRENT GROSS TAX

INCREMENT FLOW: \$1,185,012

SOURCE: County of San Diego Office of the Auditor and Controller "Estimated Tax incremental Revenue Fiscal Year 2005-2006"

Otay Valley Project Area Profile

LAND AREA: Approximately 771 acres (includes public rights-of-way, 750 acres

net

BOUNDARY: East of I-805

LAND USE: Land Fill 265 acres

Wetland 163 acres
Public Streets 21 acres
Light Industrial 322 acres

GENERAL CHARACTERISTICS: This area represented the largest resource of under-developed

urbanized property in the City which could be used for industrial development, thereby improving the City's employment and

economic base.

DATE ADOPTED: December 1983

DATE OF AMENDMENTS: 1st Amendment 11/08/94

TERM LIMIT: December 29, 2024

TAX INCREMENT LIMIT: \$115 million

REVENUE TERM: December 29, 2034

BONDED INDEBTEDNESS LIMIT: \$45 million

CURRENT GROSS TAX INCREMENT

FLOW: \$1,481,462

SOURCE: County of San Diego Office of the Auditor and Controller "Estimated Tax incremental Revenue Fiscal Year 2005



Southwest Project Area Profile

Approximately 1,050 acres **LAND AREA:**

BOUNDARY: The boundaries of the Project Area comprise a large territory generally

> located along Interstate 5 (I-5), Broadway Avenue, south Third Avenue, and the Main Street corridors. The boundaries follow a very selective path and

therefore are very irregular.

Includes: Industrial **LAND USE:**

Commercial Residential

Public and Quasi-Public Uses

GENERAL

The Project Area consists primarily of light industrial and retail commercial **CHARACTERISTICS** uses. Several residential enclaves are dispersed throughout the Project

Area including the Broderick's Otay Acres area south of Main Street and east of Mace Street, the Woodlawn Park area on the north side of Main Street and west of Melrose Avenue, the Jacqua Street area, the West

Fairfield area, and the Walnut Street area.

11/13/90 (Ordinance #2420) **DATE ADOPTED:**

DATE OF AMENDMENTS: 1st Amendment 8/1991

TERM LIMIT: November 27, 2031 (Original)

July 9, 2031 (Amended)

TAX INCREMENT LIMIT: \$150 million, to be adjusted annually based on the Consumer Price Index

since 1990.

REVENUE TERM: November 27, 2041 (Original)

July 9, 2042 (Amended)

BONDED INDEBTEDNESS: \$150 million, to be adjusted annually based on the Consumer Price Index

since 1990. The adjusted limit for 1999 is \$186.1* million

CURRENT GROSS TAX

INCREMENT: \$ 2,512,136

SOURCE: County of San Diego Office of the Auditor and Controller "Estimated Tax incremental Revenue Fiscal Year 2005

2004 Added Project Area Profile

LAND AREA: Approximately 494 acres

BOUNDARY: Along major commercial and industrial roadways in the western

part of Chula Vista (Broadway, Third Avenue, E Street, H Street,

and other pocket areas in the northern part of the City)

LAND USE: Commercial

Light Industrial

GENERAL CHARACTERISTICS: This area follows major commercial and industrial roadways in the

western part of Chula Vista (Broadway, Third Avenue, E Street, H Street, and other pocket areas in the northern part of the City) to provide continuity to the Agency's redevelopment efforts such as

infrastructure and capital project improvements.

DATE ADOPTED: May 2004

DATE OF AMENDMENTS: None to date

TERM LIMIT: May 2034

TAX INCREMENT LIMIT: No Limit

REVENUE TERM: May 2049

BONDED INDEBTEDNESS LIMIT: \$175 million

CURRENT GROSS TAX INCREMENT

FLOW: \$400,000

SOURCE: County of San Diego Office of the Auditor and Controller "Estimated Tax incremental Revenue Fiscal Year 2005



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APPENDIX E: REDEVELOPMENT REVENUES (2005-2009)

Over the next five years, the Agency can only undertake those activities that can be financially supported by its revenue stream. The Agency projects revenues equaling approximately \$13 million from all the Project Areas from FY 2004/05 through 2008/09 to fund necessary administrative activities and projects/programs. The revenue sources include:

- Annual tax increment revenues
- Bond issuance proceeds
- Other Agency and non-Agency financial resources

The following tax increment revenue projections are based on current assessed values in the project areas and an annual growth rate of two percent for those values. They do not account for future redevelopment projects which will significantly increase tax increment generation in the project areas.

FY 2004/05 to 2008/09 Projected Revenues Available for Merged Bayfront/Town Centre I

DESCRIPTION		TOTAL				
DESCRIPTION	2004-05	2005-06	2006-07	2007-08	2008-09	IOIAL
Gross Tax Increment	\$4,095,119	\$4,172,808	\$4,264,274	\$4,341,390	\$4,428,217	\$21,301,808
Less: Pass-Through Payments	\$36,945	\$38,390	\$830,213	\$205,019	\$222,059	\$1,332,628
Less: Housing Set-Aside ¹	\$706,408	\$721,896	\$738,888	\$868,278	\$885,643	\$3,921,113
Less: Debt Obligations	\$2,919,549	\$3,165,643	\$1,910,604	\$2,069,300	\$2,061,765	\$12,126,865
Net Tax Increment Available for Admin & Projects/Programs	\$432,217	\$246,879	\$784,569	\$1,198,793	\$1,258,750	\$3,921,204

¹ Housing Set-Aside Rates in Fiscal Years 2004-05, 2005-06, and 2006-07 were set below 20% to compensate for the past tax allocation bond proceeds that were deposited into the Low and Moderate Income Housing Fund from the Merged Bayfront/Town Centre I Project Area.

FY 2004/05 to 2008/09 Projected Revenues Available for Merged Chula Vista

DESCRIPTION		TOTAL				
DESCRIPTION	2004-05 2005-06 2006-07 2007-08 20		2008-09	TOTAL		
Gross Tax Increment	\$4,844,325	\$5,576,142	\$5,687,665	\$5,801,418	\$5,917,446	\$27,826,996
Less: Pass-Through Payments	\$840,162	\$1,052,184	\$1,459,240	\$1,370,449	\$1,419,017	\$6,141,054
Less: Housing Set-Aside	\$968,865	\$1,115,228	\$1,137,533	\$1,160,284	\$1,183,489	\$5,565,399
Less: Debt Obligations	\$1,564,097	\$1,577,822	\$1,219,921	\$1,220,565	\$1,219,635	\$6,802,044
Net Tax Increment Available for Admin & Projects/Programs	\$1,471,201	\$1,830,908	\$1,870,971	\$2,050,120	\$2,095,305	\$9,318,499



FY 2004/05 to 2008/09 Projected Net Tax Increment Revenues Available for All Project Areas

		TOTAL				
PROJECT AREA	2004-05	2005-06	2006-07	2007-08	2008-09	IOIAL
Merged Bayfront / Town Centre I	\$432,217	\$246,879	\$ <i>7</i> 84,569	\$1,198,793	\$1,258,750	\$3,921,204
Merged Chula Vista	\$1,471,201	\$1,830,908	\$1,870,971	\$2,050,120	\$2,095,305	\$9,318,499
TOTAL	\$1,903,418	\$2,077,787	\$2,655,540	\$3,248,913	\$3,354,055	\$13,239,703

APPENDIX F: 2000-2004 ACCOMPLISHMENTS

The following list identifies the core accomplishments of the Agency from 2000 to 2004 by geographic focus area.

ALL GEOGRAPHIC FOCUS AREAS / REDEVELOPMENT PROJECT AREAS

REDEVELOPMENT PLAN EXPANSION AND AMENDMENT (Added Area)

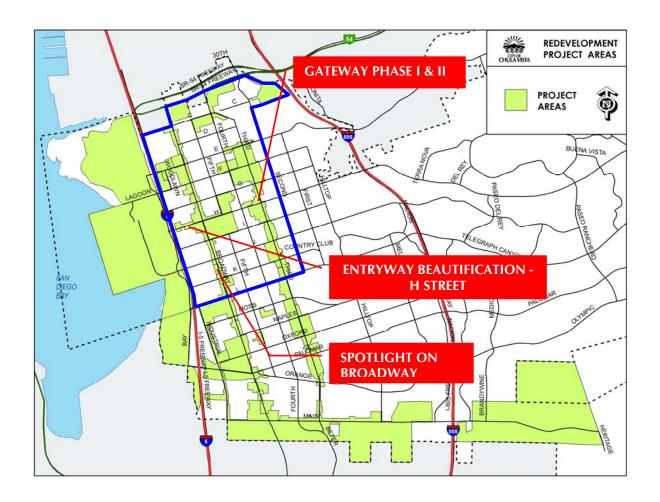
In early 2004, the Agency approved an expansion of the Merged Chula Vista Redevelopment Project to
include approximately 494 acres of property located throughout the western part of Chula Vista. Expansion
of the Project Area enables the Agency to more consistently implement redevelopment projects in the
majority of the commercially zoned areas in the western part of Chula Vista, particularly Broadway and
Third Avenue where (in many areas) the Agency previously did not have redevelopment authority.

CHULA VISTA ENTRYWAY BEAUTIFICATION PROJECT (Added Area & Southwest)

• From Interstate-5, Palomar Street, H Street, and E Street are considered primary entryways into the City in need of revitalization. These entryways lead to some of the most frequented retail establishments in the South Bay and provide a front door to the waterfront redevelopment areas. In December 2000, the City of Chula Vista approved the Chula Vista Entryway Beautification Project to include these three City entry corridors. Construction of the beautification elements were constructed to coincide with roadway improvement projects for each street. Completion of the H Street beautification element were completed in 2003 and included enhanced median and pedestrian crosswalk paving, pedestrian-scale lighting, three entry monument elements, street trees, and other smaller-scale plant materials. Completion of the Palomar Street beautification elements were completed in 2004 and included soundwalls, enhanced parkway and median hardscape, banners within the public right-of-way, and accommodations for future plant installation on the south side. The Agency provided funding for the beautification elements along Palomar Street. In addition to creating an enhanced gateway into the community, project goals included creating a low-maintenance, pedestrian-friendly and safe environment, while also improving the quality of the infrastructure and thereby facilitating economic and physical rehabilitation in the area.



NORTH GEOGRAPHIC FOCUS AREA





GATEWAY CHULA VISTA PHASES I & II (Town Centre I)

- 347,000 square foot luxury mixed-use commercial/ office complex
- Northwest corner of Third Avenue and "H" Street.
- phase I opened in April 2002
- 90% occupied
- Phase II is currently underway and is anticipated to be completed in Winter 2007.

SPOTLIGHT ON BROADWAY (Southwest)

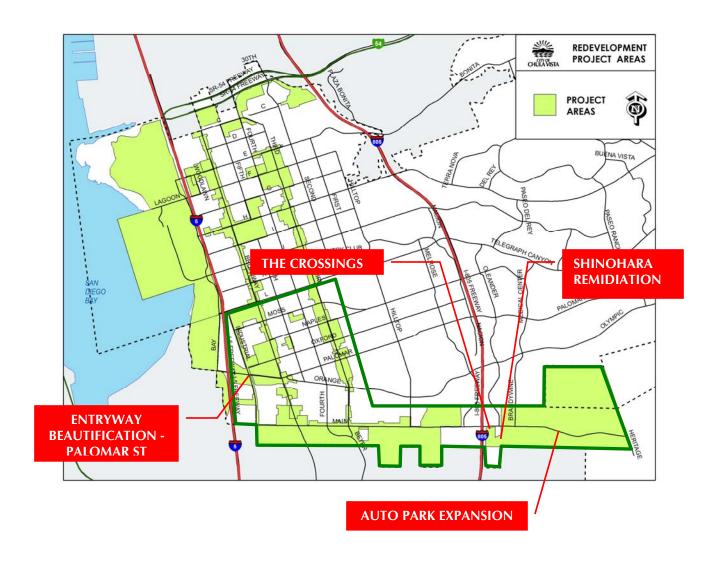
- New construction of a mixed-use residential and retail project
- 40 residential row homes with 9 loft units over first floor retail fronting Broadway
- 760 Broadway, south of L Street, includes.
- The property was owned by the Agency and conveyed to the development team of Bitterlin Enterprises and Carter Reese.
- The Agency also coordinated the removal of hazardous tanks and soil as a result of the previous use of an auto dealership, Fuller Ford.
- Completed in December 2005.







SOUTH GEOGRAPHIC FOCUS AREA



THE CROSSINGS (Otay Valley)

- New construction of 188,860 square-foot retail shopping center within five retail buildings and two
 restaurant pads.
- 17.2-acre site on the south side of Main Street and directly east of Interstate-805.
- Previously used for outdoor storage of vehicles, equipment and materials.
- Traffic circulation and access issues had impeded the redevelopment of this property.
- Agency financial assistance of \$500,000 for street improvements, including reconfiguration and additional lanes for entering and exiting the property, and parkway and median improvements.
- Agency also entered into Agreements with two adjacent property owners to dedicate a 10 foot right of
 way over a portion of their properties and to assign the Agency's Option to purchase an adjacent 1.6
 acre property to allow for the expansion of the businesses of these owners. The 10 foot right of way
 allows for improved area circulation and traffic conditions for the Crossings Project and future
 development projects such as the Auto Park Expansion, and other anticipated projects.
- Completed in November 2005.





AUTO PARK EXPANSION (Otay Valley)

- A 71 acre expansion of a regional automobile sales and service destination.
- The Auto Park North expansion was approved in June 2003 and added approximately 39 acres.
- The Auto Park East expansion approved in 2004 added approximately 31 acres to the Auto Park.
- Toyota and McCune Motors (Dodge, Chrysler, Jeep) have entered into a OPAs with the Agency for the development of dealerships and are currently under construction. The developments are anticipated to be completed in Spring 2006.







ENVIRONMENTAL REMEDIATION OF SHINOHARA SITE (Otay Valley)

- 1.6-acre site located at the corner of the Auto Park site near the Otay River and wetlands.
- Unsuitable for development due to its use as a stockpile for contaminated burn-ash, estimated at 35,000 cubic yards.
- The Agency received a matching grant from the California Integrated Waste Management Board (CIWMB) for priority solid waste clean up needs.
- The Agency was able to dispose of the stockpiled burn-ash at the Otay Valley Landfill in November 2000.



AFFORDABLE HOUSING

Within Redevelopment Project Areas

TROLLEY TRESTLE (Southwest)

- New construction of 11 transitional housing units for children transitioning from foster care programs.
- 30% or less of the Area Median Income.
- 746 Ada Street
- \$373,000 in HOME funds.
- Completed in December 2000.





BRISA DEL MAR (Southwest)

- New construction of 106 family rental units.
- 10 units for very low income households at 50% AMI and 96 units for low income households at 60% AMI.
- \$1.5 million in Redevelopment Low-Moderate Income Housing Set Aside funds and \$300,000 in HOME funds.
- 1695 Broadway.
- Completed in December 2005.

Outside of Redevelopment Project Areas

VILLA SERENA

- New construction of 132 rental units for seniors.
- 1231 Medical Center Dr. within the Sunbow master planned community.
- 26 units for very low income seniors at 50% AMI and 106 units for low income seniors at 60% AMI.
- \$275,000 in Redevelopment Low-Moderate Income Housing Set Aside funds.
- Completed in August 2000.





ST. REGIS PARK APARTMENT

- Acquisition and rehabilitation of 119 rental units.
- 24 units for very low income households at 50% AMI and 95 units for low income households at 60% AMI.
- \$275,000 in Redevelopment Low-Moderate Income Housing Set Aside funds.
- 1025 Broadway Street
- Completed in October 2000.



HARVEST RIDGE SENIOR APARTMENTS AND SUNROSE APARTMENTS

- New construction of 180 affordable units for families and 91 units for seniors.
- 30 units for very low income households at 50% AMI and 241units for low income households at 60% AMI.
- \$4.4 million in Redevelopment Low-Moderate Income Housing Set Aside funds.
- 1325 Santa Rita Avenue and East Palomar within Otay Ranch Village of Heritage.
- Family development completed in May 2003 and senior development in December 2003.





RANCHO BUENA VISTA APARTMENTS

- New construction of 150 rental units.
- 30 units for very low income households at 50% AMI and 120 units for low income households at 60% AMI.
- \$1 million in Redevelopment Low-Moderate Income Housing Set Aside funds and \$500,000 in HOME funds
- 2155 Corte Vista within the Eastlake master planned community.
- Completed in March 2005.

